Incidentally, CBO noted that if we were to reduce down to the level the Russians are expected to reach shortly, roughly 1,000 strategic nuclear weapons, the savings could reach as high as $2.5 billion annually.

In summary, Mr. President, I stand by the conclusions I stated in my previous statements on this subject. Our current strategic nuclear policy and force posture is outmoded and in need of major and immediate reassessment. The only change in the intervening period since my first address on this subject is the emergence of new information that has strengthened my case and heightened the sense of urgency on this issue.

As the Washington Post series points out, we have an opportunity and a responsibility to act quickly to change both our policy and our forces.

The decline in Russian nuclear forces provides an ideal opportunity for us to make significant progress on the arms reduction front. The deterioration of Russia's early warning and command and control systems compels us to seek ways to reduce the unnecessary level of risk brought about by how we operate our forces. Finally, CBO's study demonstrates there is a financial cost from inaction as well. Our current defense posture forces the Pentagon to divert billions of dollars of scarce resources from more needed and important defense programs.

Mr. President, now is the time to step into the future. We must dramatically reduce the levels of nuclear weapons and the associated risk levels.

If we act in this manner, we will greatly reduce the risks of nuclear war, enhance our conventional force capabilities, and improve our own national security.

Mr. President, acknowledging the presence of the distinguished Chair of the Senate Budget Committee, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

THE BUDGET

Mr. DOMENICI. Mr. President, might I say that I understand that Senator CONRAD is going to manage the bill for the Democrats. He didn't know exactly when we were going to start. We are calling now to tell his staff, which is observing that maybe he could come down. I say to the Senate, however, that we don't intend to do a great deal today on the budget. We have agreed that when we are finished with some preliminary remarks—and I don't even know how long they will be—the majority and minority have agreed that we would then, by unanimous consent, take 6 hours off the bill, which has 50 hours, as everybody knows. So we would have accomplished a reduction in the time by 6 hours. That is not an exorbitant amount. But we will wait for the Senator before we do that. In the meantime, while we are waiting, we need unanimous consent, and I will wait for his arrival.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 1874 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DOMENICI. 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. 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.

''SNUB DIPLOMACY''

Mr. NICKLES. Mr. President, I rise today to object to the Clinton administration's continual, I would say, anti-Israel position, but certainly the anti-Prime Minister Binyamin Netanyahu position. President Clinton, during the 1996 Israeli election, was very involved, and he was very involved in favor of the Labor candidate.

U.S. News & World Report quoted an aide in the White House saying:

> If he could get away with it, Clinton would wear a ''Peres for Prime Minister'' button.

He was very involved in the election. His candidate didn't win. Since then, we have seen more anti-Netanyahu, or anti-Israel, statements from the administration that bothers this Senator.

Yesterday there was a report in the paper that the United States was pressuring Israel to give up more of the West Bank. And I am wondering where my colleagues were. I remember when they thought that the Bush administration—and particularly Jim Baker—was putting pressure on Israel. They objected very strongly. They spoke out very strongly against that coercion.

This administration has repeatedly tried to put pressure on Mr. Netanyahu, or repeatedly snubbed the Prime Minister of Israel, our best ally in the region, the only democracy in the region, and they have almost resorted to a philosophy of, Well, we are going to use snub diplomacy. As a matter of fact, an administration official was quoted in the Washington Post as calling the Clinton Administration's actions towards Mr. Netanyahu as snub diplomacy.

There was an incident in November of last year where both planes—the President's plane and Netanyahu's plane—were adjacent to each other, and yet President Clinton couldn't find time to meet with him. This year, in January, Mr. Netanyahu was scheduled to be here in Washington—I will read something that was in the January 20 edition of the Washington Post:

> Having declined to find time for Netanyahu in November, even as the aircraft parked nose to tail at Los Angeles International Airport, Clinton is continuing what one administration official described as a deniable but obvious pattern of ''snub diplomacy.'' Today's schedule includes no breaking of bread, no visit to the Blair House, no joint public appearance, no touch at all of the usual warmth that greets Israeli leaders on visits of state.

The Washington Post article includes this telling quote from an administration official:

> We are treating him like the President of Bulgaria, who is arriving to a modest reception on February 10. Actually, I think Clinton will go jogging with the President of Bulgaria. So that is not fair.

I am embarrassed by this.

Then there was a snub by the Secretary of State, Madeleine Albright, when she returned to Israel in February and expressed publicly that she was ''sick and tired'' of the positions taken by both sides in the peace process. I can understand why she might be upset at the Palestinians, after they continued to embrace violence and refused to change their national charter—which they have agreed to do on at least three previous occasions—that calls for the destruction of Israel, when the Palestinians have yet to reduce the size of their police force, as again they have agreed to do. And when the Palestinians walked away from the bargaining table when Israel was more than willing to work out problems encountered by the first phase of the troop redeployment. But to criticize Israel—for what? They have complied. The Palestinians didn't comply, but yet our Secretary of State treats them as equals.

In the meetings that I alluded to before, the administration went to great lengths in January to give the same amount of attention—which is very little—to Mr. Netanyahu as it did to Mr. Arafat.

I might mention that Mr. Arafat, not long before, was embracing one of the leaders of Hamas who was directly responsible for terrorism and violence and death on innocent women and children in the Middle East—embracing him. Yet they were treating Mr. Netanyahu and Mr. Arafat as equals.

Then the administration remained silent when Mr. Arafat on February 13 was quoted as saying the ''peace negotiators achieved nothing, nothing, nothing.'' And then he goes on a little bit further. I will read this. It says:

> Reuters reported the same day that Mr. Arafat stated, ''We declared the Palestinian state in Algiers in 1988, and we will declare it again in 1999 over our Palestinian land, despite those who wish it wouldn't happen, and whoever doesn't like it may drink from the Gaza Sea or the Dead Sea. We have made the greatest intifada. We can erase those years and start all over again.''

As a matter of fact, Mr. Arafat said he was going to cross out the peace agreements and unleash a new uprising against Israel.

Mr. President, to me those hardly seem to be the words of a man, who is really interested in peace.

Did the administration criticize him for those kind of remarks? Not to my knowledge. As a matter of fact, we searched to see if there was any response from the State Department for

any criticism for such unacceptable comments. There was nothing.

Did they condemn him for those kinds of outlandish statements? No. Did they criticize him for not complying with the peace accord that he agreed to? No.

Now we find the administration dragging its feet to fulfill the commitment that Congress has made—by a bipartisan, overwhelming vote in Congress—to move our Embassy from Tel Aviv to Jerusalem. What has the administration done? Absolutely nothing. Absolutely nothing. Have they spent any money for site selection? Or have they done anything to make it happen that we would move our Embassy, as Congress called for, which we are supposed to be doing next year? The answer is no. This administration has done nothing in that regard.

Now, what has the administration done? In yesterday's paper, the Washington Post, it is reported that President Clinton decided in principle to unveil an American peacemaking package that the Israeli Government categorically rejects. The article reports that the Clinton plan will require Israel to withdraw its troops from about 13 percent of the West Bank, calls for a time-out on Jewish settlements and includes unspecified steps by the Palestinians to address Israeli security concerns. In other words, the administration is trying to dictate to Israel, that yes, you have to give up more land. Our policy, ever since the recreation and recognition of the state of Israel in 1948, has always been to say that Israel has the right—not the United States—to guarantee the security of its land and its people. Yet, this administration is trying to put pressure on Israel.

Are they putting pressure on the Palestinians for not living up to their commitments? For the third time, Mr. Arafat signs a document and says they will eliminate in their charter the section calling for the destruction of Israel. They have not done it yet. Why aren't they calling on the Palestinians to comply? Instead they put more pressure on Israel to give up more land.

I think it is unconscionable that the United States would use our force, our leadership, our power, and our prestige to try to dictate to Israel that they must give up land that might jeopardize its security. I think that is a mistake. This administration has been doing it, certainly, ever since Mr. Netanyahu's election. They have not treated him with the respect that I think he should be accorded as the elected leader of Israel. Instead, this administration seems to think, we weren't happy with the election, so we are going to undermine Mr. Netanyahu. I resent that.

I don't think this President of the United States, or any President of the United States, should be getting involved in Israeli politics and trying to influence elections, as this President did in 1996. Now he is putting continued pressure on the Netanyahu administration and Israel as a country to try to compel or force it to give up additional lands, which might jeopardize its security. Who should make the decision whether it jeopardizes Israel's security, the United States or Israel? Frankly, I think it should be Israel. They are a sovereign nation, and they have the right to defend themselves and to protect themselves. They are willing to engage in the peace process, and that takes two sides to comply. Yes, we can cajole people or encourage participation and compliance. We have encouraged participation, but we haven't encouraged compliance. The Palestinians have not complied with the peace process. They have not done what they said they were going to do on several occasions. So the administration should direct their pressure, their leverage, their leadership on the Palestinians, and particularly Mr. Arafat, to comply and stop this snub diplomacy, and diplomacy by dictating, on a plan that is going to be released, what we think is best, regardless of Israel's security needs.

Mr. President, I hope this administration will have a change in policy, in its attitude, and towards the way it has treated Israel over the last 3 years.

I ask unanimous consent that a March 26, 1998, Washington Post article be printed in the RECORD.

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

[From the Washington Post, March 26, 1998]

U.S. TO PUSH PEACE PLAN ISRAEL REJECTS—SPLIT WITH JERUSALEM GROWS ON WEST BANK WITHDRAWAL

(By Barton Gellman)

Convinced that flagging Israeli-Palestinian talks are near collapse and already doing substantial harm to U.S. regional interests, President Clinton has decided in principle to unveil an American peacemaking package tha the Israeli government categorically rejects, according to senior policymakers.

Palestinian leader Yasser Arafat has yet to commit to the proposal, but he has signaled growing approval as the depth of disagreement between Washington and Jerusalem became plain in recent weeks. Unless averted by a final round of diplomacy in the region beginning today, senior Clinton administration officials say, the initiative will step up pressure on Prime Minister Binyamin Netanyahu by casting him as the lone holdout against his country's strongest ally.

Developed in White House meetings of Clinton's closest advisers, the American package falls well short of a comprehensive peace plan and is intended only to break an impasse and restore productive talks. The initiative nonetheless highlights the Clinton administration's alarm and the extent to which it has interjected itself as a party to Israeli-Palestinian talks begun without U.S. knowledge five years ago.

Though the main elements of the American package already are well known, Netanyahu has strongly opposed its formal announcement. In recent days, the Israeli premier has intensified a campaign to raise the political price for Clinton, dispatching cabinet ministers and friendly American Jewish leaders to tell Washington it is on a collision course. Israeli Communications Minister Limor Livnat, who shared a Capitol Hilton stage Tuesday with Vice President Gore, ambushed him before more than 1,000 Jewish fund-raisers with the rhetorical question, ''Will the United States stand by its commitment that Israel will be the one to decide her own security needs?''

Clinton and Netanyahu spoke at length by telephone on Thursday and Saturday in conversations described as ''very tough'' by U.S. policymakers, with Clinton declining to budge from a proposal combining Israeli withdrawal from 13.1 percent of the West Bank, a precisely stated ''time out'' on Jewish settlement building and a series of concrete Palestinian steps to address Israeli security demands.

Netanyahu, who sought unsuccessfully this month to arrange a meeting with Secretary of State Madeleine K. Albright, urged Clinton to dispatch special envoy Dennis B. Ross for one more Middle East tour. According to accounts from both governments, the premier said he had detailed new ideas in which Israel would give up less land but make it more attractive by choosing portions of the West Bank that would connect scattered Palestinian enclaves.

On Sunday, the morning after his last talk with Clinton, Netanyahu orchestrated a cabinet statement affirming that his ministers unanimously regarded the U.S.-supported 13 percent withdrawal as out of the question. On Monday, he told a parliamentary committee that it was ''unacceptable'' for Americans to impose ''dictates from outside.''

Clinton administration officials expressed skepticism about Netanyahu's new proposals and said they had heard of nothing like the offer of 11 or 12 percent of the West Bank that some Netanyahu allies have been shopping privately to opinion-makers in the United States. Israel's offer to the Palestinians for the present stage of interim withdrawal remains at 9.5 percent.

By temperament and philosophy, according to aides, Clinton is not eager to break publicly with Netanyahu. But he authorized Martin Indyk, assistant secretary of state for Near Eastern affairs, to testify to Congress recently that ''the role of facilitation is coming to its end point'' and that ''the strategic window for peacemaking is now closing.''

If the current round of diplomacy fails, according to aides, Clinton intends to permit Albright to deliver a fully drafted speech she has urged on the president for some time, coupling a public recitation of the American package with a blunt admission that the American efforts have not borne fruit.

''The president is comfortable in his mind with the proposals he put on the table in January, which haven't changed substantially, and he recognizes that if he doesn't get the support of the parties we will have to explain where we came out,'' a senior administration official said yesterday.

The admission of failure is not intended as a hand-washing exercise, officials said. Arafat, under this scenario, is believed likely to come forward publicly and accept the American plan. This would re-create roughly the dynamic that forced Israeli Prime Minister Yitzhak Shamir to accept the U.S.-Soviet invitation to the Madrid peace conference in 1991 after Syrian President Hafez Assad agreed to attend.

In recent days, U.S. Consul General John B. Herbst in Jerusalem gave Arafat a detailed briefing on the American package, which Palestinians disliked initially because it is closer in substance to the Israeli position than to theirs. But Arafat encouraged the United States to present the initiative and spoke positively of its contents without committing himself, according to diplomats familiar with the exchange.

''We would like to have in our pocket a 'yes' from Arafat,'' said one U.S. official, describing that commitment as a principal objective of the trip that Ross begins today. Palestinians are tempted, the official said, using Netanyahu's Israeli nickname, ''because they see Bibi making a big fuss about it, and they wonder if it's in their interest to say yes and watch us duke it out with the Israelis.''

Ross plans a side trip to Egypt to recruit President Hosni Mubarak to press Arafat. Clinton asked for Mubarak's support in a telephone call late last month, but the Egyptian leader has thus far not acted. Jordan's King Hussein told Clinton last week that he will work to persuade Arafat.

In Miami yesterday, where he stopped en route to the Middle East, Ross told Israeli Defense Minister Yitzhak Mordechai that Clinton will make his final decision on the package after returning from Africa on April 2. Mordechai, who is Clinton's strongest ally in the Netanyahu cabinet, told Ross that ''there is not any chance'' that Israel will accept the American package as now formulated, according to an Israeli with firsthand knowledge of the exchange. ''We are trying to convey to the American decision-making process the information that confrontation will not help,'' the Israeli said. ''There are limits that Israel will not cross, whatever will be the decision in Washington.''

American Jewish leaders, meanwhile, have warned Clinton and Gore of repercussions in the event of a public breach with Israel. Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said in an interview that the Clinton administration was on the verge of unveiling its package earlier this month ''and I think we've staved it off.''

But David Bar Illan, a top political adviser to Netanyahu, said by telephone yesterday that ''obviously they still have an intention to come out with something.''

''Since for us it's a pure question of security, and since every administration since FORD has said over and over that matters of security are up to Israel and only Israel to decide, we feel this is a departure—let's say in diplomatic language —from a policy that has been honored until now,'' said Bar Illan.

Trade Minister Natan Sharansky, whom Netanyahu dispatched to meet Albright and Gore last week, said by telephone last night that the cabinet is united as on few other subjects against the American demands. ''If there is external pressure, it can only strengthen the resistance,'' he said.

Among the premises of the administration's plan, however, is that Netanyahu has at least as much to lose from a public conflict as Clinton, whose share of the U.S. Jewish vote was high in 1992 and higher in 1996. Management of the crucial U.S. alliance is seen as a central test of Israeli premiers, and Clinton's approval ratings in Israel regularly exceed Netanyahu's.

''If you did a survey either of the American Jewish community or the Israeli people and asked who has been the president who in the last 50 years has done the most to enhance Israel's national security . . . the overwhelming result would be Bill Clinton,'' said Steven Grossman, national chairman of the Democratic National Committee and a former chairman of the American Israel Public Affairs Committee.

Both leaders have suffered, by their own and U.S. government accounts, from the 14-month stalemate in peacemaking. ''Almost all our friends in the region are in a worse position,'' said a senior Middle East policymaker, citing also Morocco, Tunisia, Saudi Arabia and Persian Gulf emirates, including Oman. ''They staked their positions on pursuit of peace, and it is eroding.''

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, what is the current business?

The PRESIDING OFFICER. The Senate is in legislative session.

Mr. KERREY. Mr. President, do I need to ask unanimous consent to speak as in morning business?

The PRESIDING OFFICER. The Senator should seek consent to speak in morning business.

Mr. LAUTENBERG. How much time does the Senator need?

Mr. KERREY. About 10 minutes.

Mr. LAUTENBERG. I yield 10 minutes to the Senator from our side.

The PRESIDING OFFICER. Without objection, the Senator from Nebraska is recognized for 10 minutes.

IRS REFORM

Mr. KERREY. Mr. President, the Senate Finance Committee, since last fall, has been holding hearings on the Internal Revenue Service. We now expect to mark a bill up sometime next week, though we have not yet seen the bill.

I appreciate very much the leadership of the chairman of the Finance Committee. However, Mr. President, I must say that I believe we are doing what is commonly referred to as ''making the perfect the enemy of the good.'' In other words, we are taking a good piece of legislation that passed the House last November in a 426–4 vote, which would give taxpayers substantial new powers. Over 100,000 collection notices are sent out every single day. There are over 238,000 incoming phone calls to the IRS every single day and, by some estimates, over 40 percent of them are not answered, and a very high percentage of those calls that are answered are answered incorrectly. The collection notices go out with no concern about whether or not negligence has occurred. So fearful are the American people when they receive a collection notice that former Commissioner Richardson—when she came before the Finance Committee this year, she said that her first paycheck came with an IRS return address and it terrified her to open it. She was the Commissioner of the IRS, and she was practically too frightened to open a letter from the IRS.

About 114,000 collection notices go out every single day. The bill that passed the House would say that, if an error has been made, the taxpayer can recover the cost that they put into trying to defend themselves against the IRS. If the IRS is negligent, the taxpayer would be able to collect up to $100,000 in punitive damages. For the first time, we change the environment in which the IRS sends out its collection notices.

In addition, the IRS would be required to publicly say: Here is the objective criteria for our audits. Today to get that information, you have to put in a Freedom of Information Act request. Thus, in the hearings we have had, both in the Restructuring Committee as well as the Finance Committee, through this Freedom of Information Act request, we had an opportunity to see substantial differentials between the bases of audits in one State versus another State and examples where the IRS agents were actually given quotas and incentives to go out and get more, even though there was no basis for it. There are all sorts of examples of abuses that are corrected in the bill that passed the House.

The chairman of the Finance Committee is trying to improve that bill. I think that is terrific. He has a lot of terrific ideas that he has pulled from the hearings he has had. I think that is all well and good.

Mr. President, I hope the Republican leader will say to the chairman of the Finance Committee that we need a process that will meet the deadline that the American people have. The deadline they have is April 15. That is after we go out of session next Friday. But for 120 million taxpayers, they have to have their taxes paid by the 15th of April. I hope we can put together an expedited process that would have the chairman of the Finance Committee meeting with Ways and Means Committee Chairman ARCHER, the ranking members of both committees, with the administration, sometime early next week, because if we can pass a bill in the Finance Committee and on the floor of this Senate which could be conferenced quickly with the House and signed by the President, we could give the taxpayers of the United States of America a tremendous bonus on the 15th of April—more power, more certainty that, if the IRS sends a collection notice out, they are going to send a notice out to the taxpayer that actually owes additional money rather than one that doesn't.

In addition, this new legislation, again, was passed by the House with some good improvements that the chairman wants to put on this bill, which would give the commissioner authority to manage the agency. This is a terribly important issue, Mr. President. Currently, we have regions, districts and areas, and we organize the IRS geographically. What the Commissioner indicated he wants to do is restructure the IRS so that it is organized around the category of taxpayer—small business, large corporation, individual payers, as well as nonprofit. That way the Commissioner is going to have an opportunity to not only run the IRS more efficiently, but to reduce the cost to the taxpayer to comply with the Tax Code. By organizing it by category of taxpayer, the Commissioner has indicated, and I think quite correctly, that he is going to be able to say to some taxpayers that it costs us more to collect the money than we get from you; thus, we are going to provide regulatory relief,