

web site pointing out how much trouble General Motors is in. I don't mean to single out General Motors because I think every manufacturer has the same kind of problem. In today's world, where computers are available, we operate a just-in-time inventory system where you do not have huge stockpiles of spare parts out on the back lot anymore. With the computer, you have it worked out with your supplier that your spare parts arrive just in time for you to put them in your final manufacturing product. The just-in-time manufacturing system shuts down altogether and the manufacturing shuts down. General Motors has done a survey of every one of their manufacturing plants and they have found embedded chips in every one of their robotic systems. If they do not get this problem solved, they will not be able to produce an automobile after January 1, 2000.

And then, finally, No. 7, listed last because it will come last chronologically, but probably should be listed first in terms of its financial impact if we do not get the other six solved, is litigation. The lawsuits that will be filed will be enormous. Estimates before my subcommittee of the Banking Committee indicate the total litigation bill could run as high as \$1 trillion, one-seventh the size of the total economy that will change hands as people sue each other over the problems created by Y2K. We have to make sure we solve the other six so that No. 7 doesn't hit us and destroy us.

The purpose of the special committee created by the Senate, I believe, is to examine all seven of these areas, act as a coordinating point for people involved with each of the areas, and then give reports, both to the Senate and to the people in the country as a whole, as to where we are, because it is not all doom and gloom. We do have areas where we are making progress.

I talked this morning with John Koskinen who heads this effort on behalf of President Clinton in the executive branch. He reported to me that contrary to some of the information we have seen in the press, the Social Security Administration will be all right, and will indeed be able to distribute Social Security checks in the year 2000. Now, if the banking system is all right, those checks can be received, and that is a demonstration of the problem of interconnectivity that we have. But that is a piece of good news. As we focus on the challenge of Y2K, we should not lose sight of the fact that there is good news and there is progress being made.

I close with this observation about the importance of this entire issue. One of the experts with whom I have been in contact since I assumed this new chairmanship said to me, "The one thing we know for sure about this is that nobody has ever done it before. We have no historical precedent to guide us, to tell us how to handle this and what we can expect." And, of course,

he was accurate. Of course, that is a true summation of where we are.

Yet when I made that comment to another friend of mine, he said something that I think summarizes exactly the challenge we are facing. He said, "No, BOB, that is not true. We have a historic example. I said, 'What is it?' He said, 'the Tower of Babel.'" He said, "The people got together and decided they were going to build a tower to heaven, and God didn't like it, so he fixed it so they could not talk to each other and that ended it." He said, "That is the paradigm of what we are dealing with here, Y2K." We are facing the possibility that after January 1 we cannot talk to each other because the world is all wired by computers, and if, indeed, that turns out to be the case, as was the case in Genesis, that will end it.

I am hoping that everyone recognizes this anniversary for what it is—a milepost on the road toward an inexorable challenge, and that we use the opportunity to take the remaining 599 days to see to it that when we get to New Year's Eve 1999, we can look back and say that we were facing something as serious as the Tower of Babel, but we have, as a Nation, and as a world, faced up to that, and now Y2K is going to be a bump in the road instead of a drive off the cliff.

Mr. DORGAN. Will the Senator from Utah yield for a brief question?

Mr. BENNETT. I am through with my presentation. Yes, I yield.

Mr. DORGAN. Mr. President, I feel very comforted knowing that the Senator from Utah is a cochair of the task force along with Senator DODD. I compliment the majority leader, Senator LOTT, and Senator DASCHLE for putting together a commission of the type they have established. I know, serving as ranking member of the legislative branch appropriations subcommittee of which Senator BENNETT is chairman, that he has, in every circumstance, at every hearing, gone through in some detail this Y2K problem. He knows it well and is very concerned about it.

As he properly indicates here in the Senate, this doesn't just deal with Federal agencies. In fact, that is only a very small fraction of what can be affected, unless this problem is dealt with as a nationwide priority. But I wanted to just say, as I have said before on the floor, I think Senator BENNETT is one of the finest people serving in this body. He has devoted a lot of attention to this issue. If this is not handled properly all across this country in both the public and private sector, this could have catastrophic consequences. If handled properly, we probably won't even know that this situation came and went. But I just want to tell you that I feel comforted by his leadership. I thank him very much for all of the attention and time he has devoted to this. He and Senator DODD will spend a substantial amount of time between now and the year 2000 on this very significant issue.

Mr. BENNETT. Mr. President, I thank my friend who has been very indulgent in my obsession with this issue in the subcommittee of the legislative branch of appropriations. In the spirit of what I just said about reports, I can report to the Senate that he and I heard testimony before our last appropriations subcommittee that the Senate will indeed be Y2K-compliant in the year 2000. The Sergeant at Arms, the Secretary of the Senate, and others, have focused on the priorities and are doing the things necessary to get us there. They are changing the computers in the Senate at the rate now of about a thousand a month. I was startled, as I think my friend, Senator DORGAN, may have been, to learn that there were close to 9,000 computers in the Senate; that is 90 for each Senator. I didn't think we needed that many. But there are. They are being made Y2K-compliant at the rate of about a thousand per month now. That will allow us the requisite amount of time to test the various fixes and see to it that we have it under control.

The one disquieting note that came out of the hearing that I share with my colleagues was that they said, "We will have the mission-critical systems Y2K compliant by January of 2000." I said, "What is your definition of a 'nonmission-critical system?'" They said, "Well, the copier in your office may not work." There will be many constituents that will be delighted to know that we cannot make copies in January of 2000 until additional work gets done. But I thank my friend for his support in that area and for his very kind words. They are much appreciated.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I also say to my colleague from Utah that I hope he continues with his "obsession," as he described it, because we really need his leadership. I am grateful to him for the important work he is doing.

HUMAN RIGHTS ABUSES IN INDONESIA

Mr. WELLSTONE. Mr. President, I ask unanimous consent that a letter that I have sent to the President, which expresses my concern about the ongoing human rights abuses in Indonesia, be printed in the RECORD.

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

U.S. SENATE,

Washington, DC, May 11, 1998.

Hon. WILLIAM J. CLINTON,
President of the United States,
White House, Washington, DC.

DEAR MR. PRESIDENT: I write to express my deep concern about the ongoing human rights abuses in Indonesia. According to the State Department's Country Reports on

Human Rights Practices for 1997, the Indonesian Government met calls for political reforms with arrests and crackdowns on opposition parties. The Suharto regime maintains its power through policies of corruption, intimidation and government enforced repression of opposition groups. According to many credible human rights NGO reports, government critics are frequently arrested, tortured, raped, unlawfully killed or disappeared. The people of Indonesia are systematically denied democratic freedoms such as free and fair elections, freedom of the press and freedom of assembly. The lack of an independent judiciary and the lack of accountability for members of the armed forces play a major role in the continuation of serious human rights abuses.

Countless thousands have been subjected to arbitrary detention, with torture used to force detainees to produce names of opposition supporters. Mr. Pius Lustrilanang, a prominent opposition leader who was abducted earlier this year and detained for two months, has said that his captors beat him and administered electric shocks to his hands and feet in an attempt to discover details of his political activities. Lustrilanang spoke out about this experience at great personal risk, endangering not only his own safety, but that of his family as well. Student leaders of the People's Democratic Party, which was banned last September, have been arrested and sentenced to heavy terms of up to thirteen years. Their crime was organizing worker rallies, calling for a referendum on East Timor, and campaigning for a more open political system.

The United States has pursued a policy of engagement and friendship with Indonesia. I feel that we could do more to promote freedom and human rights. While I commend the Pentagon's recent decision to cancel a joint training exercise with the Indonesian military, I am deeply troubled by reports earlier this year that the United States may have been involved in the training of KOPASSUS Special Forces, Indonesia's notoriously brutal military unit, responsible for torture, night raids; and frequent disappearances. The United States also has supplied the Indonesian government with much of the military hardware which is used to foster a climate of fear and intimidation. The military plays a key role in preserving nondemocratic rule in Indonesia by deploying forces at all levels of society to crush peaceful dissent. Continued military support indicates U.S. approval of the Suharto regime's ongoing repression. As a worldwide symbol of freedom and democracy, our foreign policy should reflect our philosophy of political pluralism and government by the consent of the people.

In our economic support for the Indonesian government, through institutions such as the IMF, we should be using our leverage to press for political reforms, democratization and greater respect for human rights. Instead, we have virtually ignored the IMF's statute where it is written. "The International Monetary Fund shall advance the cause of human rights, including by seeking to channel assistance toward countries other than those whose governments engage in gross violations of human rights of citizens."

How can the United States justify bailing out a regime which grows more repressive by the day? We have made economic reforms a condition of our bailout and, at least so far, the Indonesian government has complied. However, the solution to the present economic crisis will require more than just financial transparency and the elimination of corruption. Lack of confidence in the political system is preventing new investments from the private sector. Markets respond with greater confidence to transparent, sta-

ble political environments. If we are truly concerned about the welfare of the Indonesian people, our continued funding should be contingent upon greater political openness and improvements in Indonesia's human rights record.

It is time to clearly signal to the Suharto regime that we support multi-party democracy, fair labor practices and a respect for human rights.

Sincerely,

PAUL WELLSTONE,
U.S. Senate.

Mr. WELLSTONE. Mr. President, the context of my speech on the floor of the Senate today is as follows. I have been, as the Senator from Minnesota, moved by the courage of students in Indonesia who are challenging a very repressive government. They do this at great risk. But they have shown the courage to speak out. President Suharto has left for a conference in Egypt and has made it crystal clear that students and others in Indonesia who dare to speak out will suffer the consequences.

The Suharto regime has been corrupt; it has been repressive. There are many reports by all of the reputable human rights organizations of people being arrested, tortured, raped, killed, or they have disappeared. It is in this environment that these young people in Indonesia now step forward with a tremendous amount of courage to speak for freedom and democracy in their country—Indonesia.

It is for this reason that as a U.S. Senator I come to the floor of the Senate to support them. It is for this reason I have sent this letter to the President. It is my hope that our Government, and all of us here in the Senate and in the House of Representatives, will make it clear to Mr. Suharto that we will not turn our gaze away from this repressive government, and that we will support these students and other citizens in Indonesia who speak out for the very things that make our country such a wonderful country—freedom, the right to be able to dissent, democracy.

Mr. Pius Lustrilanang, a prominent opposition leader, was abducted earlier this year and was detained for 2 months. He talks about the ways in which his captors beat him, administered electric shocks to his hands and feet, in an attempt to discover details of his political activity. His political activities were political activities we take for granted. He was writing, speaking, and doing things people should be able to do in their countries.

Student leaders of the People's Democratic Party, which was banned last September, have been arrested and sentenced to terms of up to 13 years. Students, young people—I say to pages who are here—your age, have been sentenced to 13 years in prison. What was their crime? They organized worker rallies, they called for a referendum on East Timor, and they were campaigning for a more open political system; in other words, for the right of people to be able to organize and to speak out.

They now are faced with 13-year prison sentences.

I am concerned about what is now happening in Indonesia. I think our Government should be stronger in our support of the students and for the men and women who are speaking up for democracy and human rights in Indonesia. I commend the Pentagon's recent decision to cancel a joint training exercise with the Indonesian military. But I am deeply troubled by reports that the United States may have been involved in training with the Indonesian special forces, which has really become or is known as a very brutal military unit responsible for the torture, the midnight raids, and the frequent disappearance of citizens.

Mr. President, in addition in this letter that I have sent to President Clinton, I raise questions about the ways in which we bail out a regime which grows more repressive day by day. The infusion of capital by the IMF makes "economic" reform a condition for the bailout. I am not sure the IMF prescription has helped. I have said on the floor before that I am an internationalist. I think we ignore the world at our own peril. I think economic development support is critically important, as is humanitarian assistance. I sometimes think the IMF just pours fuel on the fire. In this particular case, the Government says it is raising fuel prices and taking other action like this in response to the IMF, which, of course, imposes additional pain and hardship on the poor, not on Suharto and his family.

But, in any case, it seems to me that if we are truly concerned about the welfare of the Indonesian people, our continuing funding should be contingent upon greater political openness and improvement in Indonesia's human rights record.

I don't know why the administration—President Clinton, the administration, our Government; really, the President speaks for our Government—I don't know why we are not more insistent on these governments who attack, torture, rape, and murder their citizens to abide by elementary standards of decency. In some kind of way, we should make some of our assistance contingent upon this. Surely we can at least speak up. Surely we can at least send a clear signal to the Suharto regime that we support democracy, that we support fair labor practices, that we support human rights, and that we will not stand by idly as this regime, the Suharto regime, continues to repress its citizens.

I come to the floor of the Senate today to speak for the students. I come to the floor of the Senate today to call on the President to speak for the students, courageous students, courageous young people, who I believe are capturing the imagination of Indonesia. They are lighting a candle with their courage. And I think the President and I think the U.S. Congress and the United States of America ought to be on their side.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I appreciate very much what the Senator from Minnesota had to say about the dissidents in Indonesia who, at their own peril and at the risk of their lives, are saying that they would like the right of self-determination and they would like freedom.

I was in China the day Wang Dan was sentenced to 11 years, I believe, in prison in China for criticizing his Government. And I saw Tiananmen Square, I say to the Senator, and I thought about that young man in the white shirt.

You remember the picture during the demonstration in Tiananmen Square when the tanks came to break up the demonstrators and this young man in a white shirt walked out and stood in front of this column of tanks in front of the first tank and forced the tank to change course. Then he moved over again in front of the tank.

I watched that. I thought, What on Earth must be inside of this young man? What kind of courage must it take to say, "I am going to stand in front of a tank and risk my life for freedom"?

That is what the Senator from Minnesota is talking about with respect to the price that is paid by, in many cases, young people, and older people as well, who demonstrate to resist regimes that are oppressive and regimes that tend to try to squelch freedom of speech.

So I think this country should always be vigilant about the need to stand up for those around the world who do that at their own peril. They are asking for only what we understand in this country makes a good society. That is freedom—freedom of speech, freedom of movement.

Mr. WELLSTONE. Will the Senator yield for a comment?

Mr. DORGAN. Yes. Certainly.

Mr. WELLSTONE. Given what the Senator just said about Tiananmen Square, given the courage, again, of the students and others, that is why I wish the President would not go to Tiananmen Square. I think the President is making a terrible mistake. I didn't think the President should be there.

I will just make that comment to my colleague.

Mr. DORGAN. I would respond to the Senator by saying that I think, and have always thought, that our foreign policy must always have a human rights component to it. That is, it seems to me, what we owe to others around the world who struggle for freedom. And I appreciate the leadership of the Senator from Minnesota in this matter. He is once again today calling the Senate's attention to the importance of human rights.

CBO'S MONTHLY BUDGET REVIEW

Mr. DORGAN. Mr. President, I come to the floor to speak first about the Congressional Budget Office, which last week released its monthly budget projection. And I noticed that this projection, this estimate, received prominent coverage in the Washington Post and in other major daily newspapers around the country last week.

Actually, those papers may have mentioned this CBO report twice. First there were news stories saying that the Congressional Budget Office now predicts that in this fiscal year—1998—we will have a budget surplus, they say, of anywhere from \$43 billion to \$63 billion. And in the next 24 and 48 hours, there was a spate of stories about a group of people telling us what they would like done with this alleged surplus.

Just as quick as you can light a candle around here, any discussion about a surplus brings people who want to spend it or give it back in tax breaks. And very quickly they clustered around that flame of the surplus and told us what they thought should be done about this.

I would like to simply say that the Congressional Budget Office does us no service when it gives us half the story. The Congressional Budget Office is a fine organization, and I mean no disrespect to the work of CBO or the people who do that work. And CBO is right to say that we have made substantial progress dealing with fiscal policy, and especially the Federal budget deficit in recent years. For a number of reasons, our deficits have shrunk dramatically. We have made remarkable progress.

But we are not there yet, and we will not have and do not have a surplus this year. We will continue to have a deficit this year, albeit a much smaller deficit—shrunk dramatically from its previous size. We are continuing to make great progress, and we will have a surplus soon, but we will not have a surplus this year. Let me explain why.

On April 2d of this year, this Senate passed a budget. I might add that this House still has not yet figured out what it wants to do on a budget. But in the Senate budget resolution, which billed itself as providing a budget surplus, on the fourth page, I believe, it admits that the actual deficit for fiscal year 1998 is going to be \$95.6 billion.

That is very much at odds with the Congressional Budget Office, which says, "Gee, things are rosy, and they are getting better. In fact, we will have a very significant surplus." And we have people slicing up this estimate of a surplus, figuring out how to give it back or what to do with it when, in fact, our budget resolution says we are going to have a deficit this year of \$95.6 billion.

The key to the difference is in the Budget Act. The Budget Act says—this is law—"The concurrent resolution"—that is, the budget resolution—"shall not include the outlays and revenue totals" of the Social Security system.

In other words, we have enshrined in the law the principle that the revenue of the Social Security system is dedicated tax revenue going into a trust fund to be used only for Social Security. And the revenue will be used for Social Security—because it will be needed in the long term. We all understand that. But this provision of law says that you can't use that revenue, you can't bring it out of that trust fund over here to the budget and say, "By the way, we have all of this revenue we are using over here and the budget looks great."

The law says you cannot do that. But the Congressional Budget Office report just ignores that law. They don't admit they're using the Social Security trust fund, but they, in fact, do it because that is the way they report. They say, well, we are going to have a \$43 billion to \$63 billion surplus in this year. How do they get that? By taking the Social Security trust fund money, adding it in as other revenues and saying, wow, we have a surplus. And so we have folks who are going to spend this alleged surplus, or create some new tax breaks to give back the supposed surplus before a surplus really exists.

Now, my own vote on the surplus, if one develops, is to say let us begin to reduce the Federal debt just a bit. If for 30 consecutive years you increase the Federal debt, it seems to me that when times are good and you begin to have some significant progress in fiscal policy and you begin to run a real surplus, the prudent thing would be to begin to reduce the Federal debt. So that would be my vote.

But we are not there yet. And I certainly do not support those who rush to this flame now and say, well, if CBO says there is a surplus, here is how we ought to deal with it: Let's provide some more tax breaks. Let's provide some more spending.

What about let's do some honest accounting? What about let's say that the CBO, when it reports, if it reports, it must follow budget law and report to the American people the facts, not just half the story?

So I come to the floor not to say there is not a parade going on—I guess there is a parade—but they are celebrating the wrong thing. Let us celebrate some success. We have had some major progress in fiscal policy. That progress is due in no small part, in my judgment, to the President's 1993 recommendations on a new fiscal policy. That plan required some effort to vote for it, but we did, and things are better. I would also say some restraint on spending by the Republicans and Democrats here in the Congress and also a growing economy have also helped our budget picture.

All of that contributes to a better story on fiscal policy. But we are not at a real surplus yet. And the Congressional Budget Office knows better, as do the newspapers that print this. In fact, I sat with a reporter last Thursday just briefly just to say hello. We