

According to the chairman, the tax cuts reduced the surplus, thereby driving up long-term interest rates which have a negative impact on the economy.

If one accepts the chairman's view of the economy, the sooner Congress enacts a deficit reduction package, the sooner we can bring down long-term interest rates and stimulate the economy.

But instead of having the courage of his economic convictions, the Democratic budget fails to make any effort to reduce the deficit. Instead, it just digs the hole deeper.

The Democratic budget resolution dips into the Social Security trust fund and spends \$1.3 trillion of the Social Security surplus on other programs.

What is even more ironic about the Democratic budget "circuit breaker" is that it only applies to Social Security. Last year, the chairman of the Budget Committee insisted that it was equally important to protect the Medicare trust fund as well.

Last year during the debate over the Social Security lockbox, the chairman stated, "Some of us believe it is critically important that we protect both the Social Security trust fund and the Medicare trust fund so they are not used for other spending in the Federal budget." Apparently, that was then and this is now.

Now, the Democratic budget proposes to dip into the Medicare trust fund and spend \$360 billion of the Medicare surplus on other programs.

The Democratic leadership would like the American public to believe their opposition to tax cuts is based on their desire to protect Social Security and Medicare. But the budget they have produced this year shows that is simply not true.

Despite what the Democratic leadership might say, their opposition to tax cuts has nothing to do with protecting Social Security and Medicare.

If they were so committed to protecting Social Security and Medicare, they could have proposed to delay or repeal the tax cut. If they were so committed to protecting Social Security and Medicare, they could have proposed to reduce other spending. But they chose to do none of the above.

Instead, the Democratic leadership chose to produce a budget that increases Federal spending and thereby spends \$1.7 trillion of the Social Security and Medicare surplus on other programs. That is the dirty little secret of the Democratic budget.

After spending all of last year and the first part of this year engaged in partisan attacks on a so called Republican tax cut—that passed with the votes of twelve Democrats—they have decided they would rather increase spending than protect Social Security and Medicare.

Now, I believe we all know why the Democratic leadership doesn't want to bring their budget resolution to the floor of the Senate for a vote—they are

too embarrassed. I have to admit, I would be embarrassed, too.

Based on CBO latest projections, including the economic stimulus bill, the Federal budget will not have a surplus—excluding Social Security and Medicare—until 2011.

Instead of addressing these long-term deficits, the Democratic budget proposes to increase spending by \$1.1 trillion.

"New Spending" shows how the Democratic budget would dig the deficit hole even deeper.

The Democratic budget only achieves balance in 2012 by assuming the tax cut will expire.

Between now and 2011, the Democratic budget would spend \$1.7 trillion from the Social Security and Medicare trust funds—\$362 billion from Medicare and \$1.32 trillion from Social Security.

The Democratic budget "circuit breaker" would require next year's budget to get the balance—excluding Social Security—by 2008.

But this year's Democratic budget proposes to spend an additional \$428 billion between 2004 and 2008.

In order to comply with the "circuit breaker," next year's budget would have to reduce spending or increase taxes by \$424 billion.

In other words, next year's budget would have to repeal virtually every dollar of additional spending provided by this year's budget.

If the "circuit breaker" were expanded to include Medicare, then next year's budget would have to reduce spending or increase by \$536 billion.

The PRESIDING OFFICER. The Senator from North Dakota.

U.S. FARM PRODUCT SALES TO CUBA

Mr. DORGAN. Mr. President, it is one thing to shoot yourself in the foot, it is quite another thing to take aim before you shoot. That is what has happened in the last couple of weeks with respect to the State Department deciding to revoke the visas they previously granted to Pedro Alvarez and other officials from a group called Alimport, which is a Cuban state-run purchaser of foreign goods.

Mr. Alvarez and others were invited to come from Cuba to the United States, to come to North Dakota, to Iowa, and to other parts of farm country in the United States because they need food. The Cuban economy has been injured, of course, by the hurricane, and they need food. As a result of that, they have been purchasing food from the United States. Why have they been purchasing food from the United States? Because I and some others took the lead in Congress to end the embargo with respect to the shipment of food from the United States to Cuba.

That embargo has existed for decades. We ended that in the year 2000. The result is that Cubans have bought \$70 million-plus worth of food from us in the last few months.

It is kind of byzantine, because in order to buy food from us, they are required to pay cash and do it through a French bank. They work the transaction through a French bank. Nonetheless, that is what they have done.

Mr. Alvarez and the organization Alimport applied for visas to come to this country at the invitation of U.S. farm groups to buy additional wheat, eggs, dried beans, and other commodities. So they were given the visas. Just a couple days later, the visas were yanked. The passports were asked to be returned, and the visas were revoked. When I learned of that, I called the State Department.

Here is what the State Department told my staff. My staff asked: What is going on? Why did you revoke the visas of the people who were going to come from Cuba to purchase some additional United States food from our farmers?

It is the policy of this administration not to encourage agricultural sales to Cuba.

Let me read that again. That is a most byzantine position.

It is the policy of this administration not to encourage agricultural sales to Cuba.

We sell it to Communist China. Yes. That is a Communist government. We sell food to Vietnam. Yes. That is a Communist government. We sell food virtually all around the world. We fought for years to lift this embargo on food sales to Cuba. We are now selling food to Cuba, and we have some people taking a brainless position down at the Department of State that it is not our position to encourage food sales to Cuba; therefore, we will revoke the visas we previously granted to the head of Alimport to come into this country, to visit farm States, to purchase some dried beans, wheat, eggs, and other food products.

I am writing a letter today to Mr. Alvarez inviting him to come to the United States. It is not from farm organizations. It is from me. I am sending a copy of that letter to the State Department saying: You have an obligation to play straight.

When this country has the opportunity for family farmers to sell food to those in Cuba who need it and who are hungry and want access to that food, we have a responsibility to our farmers, and the State Department has a responsibility to the Congress to help make that happen.

Our farmers are facing really tough times. Prices have collapsed. They have remained down for a long while. Then we have this embargo on food sales and shipments to Cuba. We opened it just a bit and sold them \$70 million worth of food. Now we have folks down in the State Department trying to play games with it once again.

I have asked the State Department: Who made these decisions? How did you make the decision? Who demanded that the visas be revoked? I want to know who has their foot on the brake. I want to know who has one of these hardheaded embargoes still going on

with respect to Cuba. I want to know who is asking family farmers to be pawns in this struggle they have with Cuba.

Let me say that Mr. Otto Reich, the administration's top Latin American official, told a group of farmers: We are not going to be "economic suckers" to Fidel Castro. That attitude is an insult to American farmers. Our farmers produce food. They ought not be pawns in some soft-headed foreign policy by which someone wants to prevent that food from going to hungry people.

Does anyone here think Fidel Castro has ever missed a meal because we have for 35 or 40 years not allowed farmers to send food to Cuba? Does anyone here think Fidel Castro has ever missed breakfast, lunch, or dinner? You know better than that.

This country is shooting itself in the foot. Mr. Reich and others are taking aim before they do it. It is unforgivable. They have an obligation to play straight on this issue.

We have already debated this issue and made a decision on this issue. The decision was that it is immoral to use food as a weapon, and we are not going to do it anymore—not with Cuba, and not with other countries.

I ask unanimous consent to have printed in the RECORD a copy of a letter I sent to Mr. Colin Powell, Secretary of State, asking the questions: Who made these decisions? How did they make these decisions? When did they make them?

I would also like to have printed in the RECORD a letter from two dozen agricultural organizations protesting the same decision to revoke this visa. It includes the American Farm Bureau Federation, the American Meat Institute, Farmland Industries, the National Association of Wheat Growers, the U.S. Canola Association, the U.S. Dry Pea & Lentil Council, U.S. Wheat Associates, and the list goes on and on.

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

U.S. SENATE,
Washington, DC, April 17, 2002.

Hon. COLIN L. POWELL,
Secretary of State, the State Department,
Washington, DC.

DEAR SECRETARY POWELL: My office has been informed that the State Department recently approved—then rescinded—a visit for Pedro Alvarez, Chief of Alimport and other Cuban officials, who wished to come here to buy U.S. farm products.

Their trip to the United States would have included a visit to my state, North Dakota, where they had been invited by a North Dakota farm organization which hoped to interest them in buying some of North Dakota's excellent farm products. It was to be a customary visit foreign purchasing agents make to meet with U.S. suppliers, inspect facilities, and verify U.S. procedures and standards before making major purchases.

This was an important visit, filled with economic opportunity for North Dakota farmers who continue to suffer under commodity prices that collapsed six years ago and that have remained collapsed ever since.

Alimport is a very significant customer for U.S. farm products. Since November 2001,

when legislation I helped enact into law finally made it possible for U.S. organizations and companies to sell food and medicines to Cuba, Alimport has purchased approximately 450,000 metric tons of agricultural commodities—corn, rice, wheat, soy, poultry, vegetable oil, apples, peas, eggs and pork lard—worth about \$75 million.

I want a complete investigation into why these visas were cancelled. When my staff inquired about it, State Department officials told them, "It is the policy of this Administration not to encourage agricultural sales to Cuba." That is unacceptable to me.

If that is the basis for which the visas were cancelled, it is an insult to American farmers and puts at risk agricultural sales to Cuba. At a time when grain prices remain collapsed, it is just plain wrong for the Administration to try to impede the sale of grain to Cuba.

This is a brainless policy to be saying that we don't want to sell grain to the Cubans. We sell grain to communist China, communist Viet Nam, and it's just absurd to tell our farmers that our government doesn't want to sell grain to Cuba.

I want a complete investigation to find out who is running things in the State Department. Who ordered the visas cancelled? Did political operatives in the Administration communicate with the State Department about these visas?

I also want to request that you personally intervene in this matter. Our country needs to use some common sense. We must stop using our family farmers as pawns in foreign policy. That is the mandate from Congress and, specifically, when it comes to Cuba that is the law. It ought to be obeyed.

Pleased to intervene and make the right decision with respect to these issues.

Sincerely,

BYRON L. DORGAN,
U.S. Senator.

APRIL 18, 2002.

Hon. COLIN L. POWELL,
Secretary, U.S. Department of State,
Washington, DC.

DEAR SECRETARY POWELL: As export dependent food and agricultural industries, we wish to express our disappointment with the recent action taken by the Department of State to deny visas to Cuban trade officials. The planned meetings between U.S. agricultural representatives and Cuban officials to review U.S. standards and procedures in conjunction with contracted and potential agricultural sales to Cuba will no longer be possible. Maintaining access to the Cuban market for our products is an important goal for our industry.

The purpose of the Cuban travel, that has now been denied, was for Cuban officials to meet with U.S. suppliers, inspect facilities, discuss sanitary and phytosanitary issues and verify U.S. procedures and standards associated with the sale of U.S. food and agricultural exports to Cuba. Visits of this type are routinely conducted by U.S. officials and U.S. importers in markets that sell to the United States. It is also customary practice for foreign purchasing agents and government technical teams to travel to the U.S. to meet with U.S. suppliers and tour facilities.

Two years ago, Congress, backed by the strong support of the U.S. food and agricultural community, opened the Cuban market for our goods by partially lifting nearly 40 years of unilateral sanctions against Cuba. Cuba continues to pay cash in full for its purchases and has signaled intent to expand its imports of U.S. food and agricultural commodities.

Mr. Secretary, we ask your help in keeping this small but viable market open for export sales of U.S. food and agricultural commod-

ities. This recent action by the Department of State puts all future Cuban food and agricultural purchases at risk at a time when American farmers and ranchers are under extreme economic stress from low prices and decreasing world market share.

We hope that the administration will look favorable upon future purchasing and technical visits from Cuban officials.

Sincerely,

- Agricultural Retailers Association.
- American Farm Bureau Federation.
- American Meat Institute.
- American Soybean Association.
- Archer Daniels Midland Company.
- Cargill Incorporated.
- Farmland Industries, Inc.
- Grocery Manufacturers of America.
- Louis Dreyfus Corporation.
- National Association of Wheat Growers.
- National Barley Growers Association.
- National Chicken Council.
- National Corn Growers Association.
- National Oilseed Processors Association.
- National Pork Producers Council.
- National Renderers Association.
- National Sunflower Association.
- North American Export Grain Association.
- North American Millers' Association.
- Rice Millers' Association.
- U.S. Canola Association.
- U.S. Dry Pea & Lentil Council.
- U.S. Rice Producers Association.
- U.S. Rice Producers' Group.
- U.S. Wheat Associates.
- Wheat Export Trade Education Committee.

Mr. DORGAN. Mr. President, this policy is wrong. This policy injures American farmers. This policy continues an embargo. We know embargoes hurt us. They hurt our farmers. Those kinds of activities hurt poor, sick and hungry people in countries like Cuba. They do not hurt Fidel Castro. They hurt our farmers. And they hurt the poor, sick, and hungry people abroad.

When someone wants to come to this country to buy American grain, eggs, dried beans, and other products our farmers produce, the State Department has no right, in my judgment, to revoke those visas for political purposes. That is what I think has happened in this regard.

It is the policy of this administration not to encourage agricultural sales to Cuba.

I say to those in this administration who have said that and who believe that: You have a responsibility to stop this nonsense. You are hurting American family farmers. And it is an abrogation of the policies we have already developed here in the Congress.

I am going to send a letter today to the State Department saying I have invited the head of Alimport into this country. I have invited them to North Dakota. I want them to come here and buy American farm products. I think the State Department has a responsibility to provide visas for those who would come from Alimport to make those purchases of grain.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, let me remind my colleagues of a couple things. First, this is a revenue bill.

The PRESIDING OFFICER. The Chair wishes to inform the Senator from Texas, we are not on the energy

bill at this moment. We are still in morning business.

Does the Senator seek recognition in morning business?

Mr. GRAMM. Mr. President, I would be very happy to have my remarks in morning business.

The PRESIDING OFFICER. The Senator from Texas.

THE ENERGY BILL

Mr. GRAMM. Mr. President, when we resume consideration of the energy bill later today, we will be on a revenue measure. As all of my colleagues know, the Constitution gives a special privilege to the House of Representatives by requiring all money bills to originate in the House. This represents a constraint on the Senate in terms of voting on tax issues because in order to have a vote on a tax issue that could actually become law, you have to have a vote on a bill that is already a revenue measure and has been passed by the House. So this means the bill before us, in addition to being an energy bill, becomes a very important bill because it will contain energy tax provisions, and therefore will be a revenue bill.

I have now about 15 Members of the Senate, on a bipartisan basis, who are determined to have a vote on making the death tax repeal permanent. I will not repeat the whole debate because we will have plenty of opportunity to talk about it—we have in the past and will have in the future. But we have the anomaly that the tax cut passed last year will expire in 10 years because of a budget technicality that was in place when it was adopted. And this creates the incredible anomaly that while we are phasing out the death tax now, 9 years from now it will spring back in full force and will ensure that families that worked to build up a business or a family farm would end up having to sell that business or sell that farm to give the Government 55 cents out of every dollar of its value upon the death of the people who created it before it can be passed on to their children.

We have every right, on any revenue measure, to offer any amendment we wish. That is how the rules of the Senate work. On Thursday, I had called for regular order—which brought up Senator KERRY's amendment with Senator MCCAIN—and I offered my amendment to it. I was unaware at the time that discussions were going on as to how we were going to proceed from there. As it turned out, Senator KERRY came over and withdrew his amendment. At that point, the distinguished Democrat floor leader filled up the amendment tree by offering a second-degree amendment to the next amendment under regular order. I think there were about nine amendments that had been set aside as we went on to consider other measures.

In working with our leadership and, through their discussions, with the leadership on the Democrat side, I have now proposed in writing an agreement

whereby we would agree to forgo the ability to offer an amendment on this bill to make death tax repeal permanent, if we could have a guarantee that at some point in the future we would get such a vote. The proposal I have made is that we pull up H.R. 8, which is on the Senate Calendar. It, in fact, is a bill to repeal the death tax. I hope it will be looked at.

We feel very strongly we ought to have the right to offer this amendment. This is a revenue measure. We have no guarantee there will be another revenue measure considered by the Senate this year. I know there are people in the Finance Committee—and I am privileged to serve on that committee—who hope we will have other opportunities. But it may well be that this is the only opportunity we have this year.

As my colleagues are aware, the House of Representatives has voted to make the whole tax cut permanent. We want to have a vote on making the death tax repeal permanent. I am hoping that something can be done to accommodate us in terms of our right.

I know there are many people who want to finish this bill. There are things in the bill I am for, but I don't know of anything that is more important than making the repeal of the death tax permanent.

I wanted my colleagues to know that we do have a growing number of people who are working to achieve this goal. It would be our objective. I think there are two amendments the managers of the bill wanted to do this afternoon that we have agreed to step aside and allow them to do. But beyond that point, it would be our intent to object to bringing up new amendments or to setting aside the pending amendment until we get some agreement. We don't have to do our amendment now, but we want to be guaranteed that at some point we will have our right as Senators to offer an amendment related to making the repeal of the death tax permanent.

I came over today to simply outline that there is the beginning of a discussion on how to accommodate Senators who wish to offer this amendment. I have talked to our leader, and nothing would make me happier than to get a guarantee that we will get a vote on making repeal of the death tax permanent. In that case, we would get out of the way and allow consideration of the energy tax amendment and adopt it, perhaps on a voice vote.

Mr. REID. Will the Senator yield?

Mr. GRAMM. I am happy to yield.

Mr. REID. The majority leader and the Republican leader have spoken about this issue. The Senator has submitted to us in writing his proposal which has now been reviewed. We will do everything we can to move this bill along. We hope as to the written proposal for the unanimous consent agreement, that we can work something out on that before the end of the day.

Mr. GRAMM. I appreciate the Democrat floor leader's willingness to try to

work on this. I am very grateful. It would break a major impasse and virtually guarantee that the bill will be adopted. What we would like to do is have a vote on permanently repealing the death tax. We realize the vote might come on cloture or it might come on a point of order. But we would like to have a vote nonetheless.

I thank the Senator for his help.

Mr. DURBIN. Will the Senator yield for a question?

Mr. GRAMM. I would be happy to yield, but I am getting ready to give up the floor. I am happy to yield.

Mr. DURBIN. That is fine, if he is going to yield the floor.

Mr. GRAMM. I yield the floor.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Illinois.

Mr. DURBIN. Mr. President, if I might respond very briefly to what the Senator from Texas has said, the Senator from Texas is very honest and forthright in his position. He stated in the Chamber, and it will be reflected in the RECORD, that he believes the elimination of the estate tax, the death tax, is the most important priority for this Congress when it comes to tax legislation.

I disagree. Right now, fewer than 2 percent of the estates in America pay any estate tax whatsoever. We have changed the law so even fewer will pay it in the future. What the Senator from Texas and those in support of his position are arguing for is to eliminate this estate tax for the very few remaining wealthiest people in America, and it is his belief that this is the highest tax priority for Congress. I would like to take that question to his State of Texas, let alone my State of Illinois.

I just finished a tour of Illinois, and I went to small business after small business. I asked: What is the biggest problem you are facing?

They answered: The cost of health insurance. We can't pay for health insurance for our employees, let alone for the owners of the business.

A labor union, the plumbers and pipefitters, came from Chicago last week. I asked: What is your agenda in Congress?

They said: The cost of health insurance. We can't get a penny more in our paychecks when we negotiate a contract each year with our union because all the money is going into health insurance.

So if you want to know where my highest priority is in terms of tax breaks for businesses and families across America, it doesn't start at the top with people who are worth megamillions. It starts with working families who cannot afford their health insurance.

I will say to the Senator from Texas and those supporting his position, please bring a tax bill to the floor. There are those of us who want to try some other issues that we think are much more important.

Do you know what this means if we make President Bush's tax cut permanent? It means 65 percent of all of the