

democracy in the U.S., it seems the obvious choice.

But I call on my colleagues to take a moment to remember the immense problems that Pakistan is dealing with: because of tensions in the region, and the war in Afghanistan, Pakistan's economy has suffered a huge loss. And despite my best efforts with some fellow colleagues, the U.S. has yet to provide the one thing Pakistan really needs: a better deal on textiles.

Textiles and textile products are Pakistan's main export. As a result of the war effort, invaluable orders for textile products made and exported by Pakistan have been canceled due to perceived instability in the region and a lack of confidence that such orders will ultimately be delivered.

According to the Pakistan Textile and Apparel Group, Pakistan has witnessed a 64 percent reduction in orders for clothes that would be made from last year alone, by the 14 largest apparel factories in Lahore, Karachi, and Faisalabad. As a result, employment in these factories has dropped 32 percent from a year ago. The Pakistani government has estimated the overall decline in orders at 40 percent. This has very real consequences for the future of Pakistan, its stability, and its ability to forge a future of economic prosperity for its people.

As a weakened market for Pakistani textile exports ultimately renders human development programs within Pakistan less effective, especially the primary education element, young Pakistani's are faced with the prospect of no education and therefore no quality employment. An all-to-frequent alternative to this prospect is for young Pakistani's to attend Madrasas—Islamic religious schools run by mullahs—where too often basic skills and primary education are supplanted by religious teachings used to indoctrinate young Pakistani's into following the perverted version of Islam followed by Osama Bin Laden, Al Qaeda, and the Taliban.

Mr. President, I urge all of my colleagues to work with me in the Congress to provide the President with authority to assist Pakistan in the textile market immediately. Such action is vitally important to the stability of our important ally, and victory in our Nation's war against terrorism. Failing to take quick action only strengthens our enemy.

The war on terrorism will only be won through the continued cooperation of important countries like Pakistan. The very least we can do in this body today is to recognize this support and to say thank you for it.

ENERGY OVERSIGHT

Mr. LEAHY. Mr. President, I am pleased to join Senator DIANNE FEINSTEIN in sponsoring the Energy Oversight Bill. This bill clarifies the scope of the existing regulatory authority of the Commodity Futures Trading Com-

mission, CFTC, over markets in over-the-counter, OTC, derivatives, including its anti-fraud and anti-manipulation jurisdiction over exempt commodities such as metals and energy.

Over-the-counter derivatives markets have assumed an increasingly large role in the U.S. economy. A recent conservative estimate put the size of the global OTC derivatives market at \$111 trillion. The U.S. share of that market is estimated to be at least two-thirds. Derivatives based on "exempt commodities," such as energy and metals, make up a small percentage—probably no more than 2 percent—of the total OTC derivatives market. However, derivatives play an increasingly important role in energy and metals markets, which are in turn critical to our overall economy.

The energy markets are among the largest and most dynamic in the United States. Hundreds of billions of dollars in energy products—which include electricity, natural gas, crude oil, and gasoline—are traded each year in the United States—both on-exchange and in the over-the-counter markets.

We are all well aware of the tragedies that occurred last fall surrounding the collapse of Enron. For instance, there have been numerous stories in the press regarding allegations of manipulations in energy markets. I understand the CFTC currently is in the process of pursuing a comprehensive, detailed investigation of allegations raised by the Enron collapse.

However, some have suggested that following passage of Commodity Futures Modernization Act, CFMA, in 2000 the CFTC does not in fact have authority to effectively and successfully investigate and punish fraud and manipulation in derivatives markets for exempt commodities—particularly energy and metals. In a hearing held by the Senate Agriculture Committee last July, questions were raised about the CFTC's ability to prevent fraud and manipulation in the first place.

If that is the case, not only do these transactions fall outside the jurisdictional reach of the CFTC, but in most cases, they are beyond the reach of any other federal financial regulator. Thus, we have a gap in the oversight of exempt commodity transactions. And plainly, this gap was not something Congress intended when it passed the CFMA.

This legislation puts these questions to rest.

Our bill clarifies that the CFTC's anti-fraud and anti-manipulation authority applies to all exempt commodity transactions and requires derivatives marketplaces like electronic swap exchanges—like the now-defunct "Enron Online"—to adhere to certain, minimal regulatory obligations: among them are transparency, disclosure, and reporting.

It recognizes the benefits of market innovation by preserving the long-sought legal certainty for swaps—they

remain for the most part "exempt" from CFTC jurisdiction. At the same time, however, the bill ensures that all derivatives transactions are subject to the commission's fraud and manipulation authorities. It would not require the registration of swap counterparties, but would require that they maintain books and records of transactions—something that should be routine practice in the industry. Finally, the legislation recognizes that all exchange markets serve price discovery and hedging purposes by imposing modest transparency, disclosure, and reporting obligations.

Experience has shown that measures designed to increase market transparency instill confidence in markets, attract investment, and increase market integrity by providing regulators with the means to monitor for fraud and manipulation. Application of these principles to derivatives markets generally is sound public policy, prudent business practice, and common sense. The consequent benefits extend not only to market users, but also to consumers.

Accountability is important and must be restored because Enron is not alone. It is only a case study exposing the shortcomings in our current laws. Future debacles wait to be discovered not only by investigators or the media, but by the more than one in two Americans who depend on the transparency and integrity of our public markets.

The majority of Americans depend on capital markets to invest in the future needs of their families—from their children's college fund to their retirement nest eggs. American investors deserve action. Congress must act now to restore confidence in the integrity of the public markets.

Accountability and transparency help our markets work as they should, in ways that benefit investors, employees, consumers and our national economy. Our job is to make sure that there are adequate doses of accountability in our regulatory and legal system to prevent such occurrences in the future. The time has come for Congress to rethink and reform our laws in order to prevent corporate deceit, to protect investors and to restore full confidence in the capital markets.

Unfortunately, in the wake of Enron, we are presently witnessing some of the best arguments in favor of such changes. U.S. energy markets are suffering a crisis in confidence. This modest legislation is a good first step toward restoring this lost confidence and returning energy markets to a path of growth and efficiency.

ADDITIONAL STATEMENTS

TRIBUTE TO OPERATION EAGLE'S NEST

• Mr. BUNNING. Mr. President, I rise today to honor and pay tribute to Operation Eagle's Nest. The Military Affairs Committees of Hopkinsville and

Oak Grove, KY, and Clarksville, TN, created this fund-raising initiative to help the families of deployed soldiers from Fort Campbell.

The communities surrounding Fort Campbell have a long tradition of supporting the more than 20,000 soldiers and their families of the 101st Airborne Division and the other units stationed at Fort Campbell. Troops from Fort Campbell have played a vital role in the war against terrorism in Afghanistan and around the world. As thousands of troops and tons of machinery and equipment depart Fort Campbell for the Middle East, it is important that Americans not forget the sacrifices of the families that the men and women of our Armed Forces leave behind.

Local businesses and citizens in Kentucky and Tennessee founded Operation Eagle's Nest with the goal of raising at least \$1 million as a contingency fund to be used as needed at the base. The local citizens are excited about the initiative and the opportunity to once again show our soldiers and their families how much they appreciate the sacrifices they make for our great Nation. The Fort Campbell soldiers deployed in the Middle East feel at ease with the confidence that their families are supported by local citizens.

For Campbell Division Commander MG David Petraeus recently praised "not just the monetary support but the symbolism of our communities coming together for the families." He is absolutely correct. The soldiers of Fort Campbell are heroically doing their part in the war on terror and the local citizens of Hopkinsville, Oak Grove, and Clarksville are graciously doing theirs. This is exactly what President Bush meant when he stated that all Americans must do their part in the war on terror.●

TRIBUTE TO STATE SENATOR ALVIN PENN

● Mr. LIEBERMAN. Mr. President, I rise to pay tribute to the life and career of Connecticut State Senator Alvin Penn, who died an untimely death on Friday, February 14, at the age of 54.

Alvin was a passionate and principled fighter who sought to give people of all races and backgrounds the equal opportunity that is every American's birthright. Through difficult times, he never wavered in serving his beloved city of Bridgeport. And those of us who were blessed to know him will always remember him as a larger than life human being with a generous spirit and sharp and unsinkable sense of humor.

As chairman of the State senate's public safety committee, Senator Penn banned the insidious practice of racial profiling and improved the State's witness protection program. Thanks to Senator Penn's work on this committee and others, Bridgeport has better schools, safer streets, and more

prosperous neighborhoods than it did a decade ago.

The city of Bridgeport and the state of Connecticut, of course, still have their share of troubles—but Alvin never gave up, never let the steepness of the hill stop him from trying to climb. He understood that to get to the mountaintop, you must keep going up.

That is what he did. State Senator Penn did not take orders from special interests or party bosses. He listened to, and did what was right for, the people he served. Eight years ago, Alvin met with Gov. John Rowland, and told the Governor, "You're a Republican from Waterbury and I'm a Democrat from Bridgeport. We understand the issues of our urban communities." He pledged to work together—and his word was good.

The city of Bridgeport will always hold State Senator Penn close to its heart. He is a part of its history, its present, and will be a part of its future. There is not yet an Alvin Penn memorial in Bridgeport—though there may someday be. For now, his legacy, and his memorial, is in every school and business and church, and every citizen on every street corner in the city he loved to serve.●

HONORING PATRICK S. LeROY

● Mr. BUNNING. Mr. President, I have the privilege and honor today of recognizing Patrick S. LeRoy of Louisville, Kentucky. Earlier this month, Patrick was honored by the Muscular Dystrophy Association as the 2003 Kentucky State Goodwill Ambassador.

Patrick is a special child with a special condition and unique opportunity to share his story with thousands of people. Each day he lives with Duchenne muscular dystrophy. Symptoms of this disease include increasing muscle weakness in the body, concentrated mainly in the arms and legs.

Nevertheless, Patrick does not allow this condition to limit his daily activities. In fact, this 8 year old is more active than most people his age, and even adults. Currently, Patrick is a second grader at Coral Ridge Elementary in Fairdale. When not studying his favorite subjects, math and science, this young man enjoys swimming, participating in karate class, and he also shares my passion for the game of baseball. In addition to his participation in athletics, Patrick also develops his artistic abilities through drawing.

What sets Patrick apart from other children is not his health condition but his willingness to make a difference by speaking with people about muscular dystrophy, helping to remove a stigmatism that stems from lack of knowledge. Being selected as the Kentucky ambassador will give Patrick a valuable opportunity to encourage public support and education of this disease. Please join me in congratulating Patrick S. LeRoy and wishing him the best of luck in his new position of 2003 Kentucky State Goodwill Ambassador.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PERIODIC REPORT ON TELECOMMUNICATIONS PAYMENTS MADE TO CUBA PURSUANT TO TREASURY DEPARTMENT SPECIFIC LICENSES—PM20

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

As required by section 1705(e)(6) of the Cuban Democracy Act of 1992, as amended by section 102(g) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, 22 U.S.C. 6004(e)(6), I transmit herewith a semi-annual report prepared by my Administration detailing payments made to Cuba by United States persons as a result of the provision of telecommunications services pursuant to Department of the Treasury specific licenses.

GEORGE W. BUSH.

THE WHITE HOUSE, March 5, 2003.

MEASURE HELD AT THE DESK

The following concurrent resolution was ordered held at the desk by unanimous consent:

S. Con. Res. 13. Concurrent resolution condemning the selection of Libya to chair the United Nations Commission on Human Rights, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1391. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "West Virginia Regulatory Program (WV-088-FOR)" received on February 27, 2003; to the Committee on Energy and Natural Resources.

EC-1392. A communication from the Deputy Congressional Liaison, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Amendment to Regulation T (Credit by Brokers and Dealers): Revision to the semiannual List of Foreign Margin Stocks"