

Of course it is theoretically possible to have market manipulation. But this is extremely difficult to do and only works if the supply system is uncompetitive. The internal North American market is not.

Interestingly enough, if people in the Lower 48 are upset now about alleged manipulation of the natural gas market, they sure won't be happy when the United States starts depending more heavily on imported liquefied natural gas. This is because with imported LNG, the LNG exporters themselves will be able to manipulate natural gas prices and do it with impunity. It will be like OPEC all over again.

There is a mechanism to reduce LNG exporter's ability to manipulate the gas market. It is to get Alaska natural gas to market more quickly. Congress still has a chance to change the Energy Bill by putting back in the natural gas credit provisions. I know such a move is highly unlikely, but it is certainly something each Alaskan should be clambering for.

Interestingly enough, some experts would actually like to put in tax credits for Lower 48 gas producers rather than for Alaska gas even though Lower 48 producers are making money hand over foot. If more gas existed in the Lower 48, the current incentives would already be pushing supplies higher.

The fact of the matter is, the Alaska pipeline tax credits that were cut from the energy bill are like a futures contract to insure a more reliable natural gas supply source.

In other words, Congress has the option to assure a future supply of Alaska gas at a reasonable price, and to get that supply on line sooner than markets alone will do it. The effect would be to make America's gas supply less reliant on LNG exporters with less chance for market manipulation.

Since consumers are already complaining over high natural gas prices, I would think that having such tax credits and a more reliable source of natural gas would be to America's advantage. As it stands, American consumers will undoubtedly begin to complain ever louder when it's apparent that Alaska gas is stuck on the North Slope just waiting for the time when prices reach outrageous levels before reserves are finally developed.

Needless to say, our Alaska congressional delegation has fought hard to help make the gas line a reality, but now it is up to the state to take the initiative.

So will the gas line happen? Yes. But Alaska may have to negotiate with the producers or other pipeline companies to get a deal. I believe the best strategy for the state is to give a progressive royalty and severance tax package for all natural gas production.

That means a low royalty and tax percent during low prices and a high royalty and tax percent during high prices. This will give Alaska much more revenue than the current royalty and severance tax system would give because of anticipated high prices. It will also quicken the pace of developing a pipeline. It does however imply more risk in Alaska's revenues over the years.

The future price of natural gas will not be lower than \$4 on the East Coast and will easily stay in the \$6 to \$10 range.

This is because Atlantic Basin LNG producers will be slow to ramp up production even while Lower 48 production goes into decline. Plus LNG exporters can manipulate market prices exactly the way domestic suppliers have been accused of doing. Alaska can take advantage of this and negotiate to get a line done quickly and with greater profits.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 10 minutes.

AMERICA'S ECONOMIC ISSUES

Mr. DODD. Mr. President, I rise to very briefly address two subject matters. As I understand it, we will be moving later this morning to this ETI bill, or the extraterritorial income legislation. My fervent hope is that in addition to debating the underlying bill itself, we will also have an opportunity to raise questions about a staggering set of issues that is unfolding in our country, and that is the outsourcing of jobs all across this Nation to foreign lands.

We all understand this happens from time to time, but the explosion that has occurred in the last 36 months is deeply alarming to many Americans. We now have lost some 2.6 million to 2.7 million jobs over the last 36 months in the manufacturing sector alone. Many of these jobs are showing up either offshore in places such as India, Bangladesh, the People's Republic of China, or elsewhere. There is great concern in this country that we are losing a very important strategic base in our Nation, not to mention these critically important jobs which can never be replaced.

I inform my colleagues, and I know others feel similarly as I do, when we get to this bill there will be some opportunities to offer amendments and to address the very issue of American jobs.

When we hear the administration say, as the chairman of the President's Council of Economic Advisers did just a few days ago, that outsourcing of jobs was a good thing for America, we begin to understand the depths of concern people have when the administration fails to understand, at least through its leadership, how critically important it is that we stand up and do what we can to preserve critically important jobs, although not at the expense of international trade. We all understand the importance of trade in a global economy, but we also understand if we are going to be a vibrant participant in a global economy that we have to produce the goods or the services to compete.

If not only low-income jobs are given away but also high-technology jobs, information technology jobs, and engineering jobs, for instance, are leaving, then the ability of this country to compete in the 21st century is going to be severely disadvantaged.

I look forward to the coming hours today, tomorrow, and possibly Friday, to engage with my colleagues in some of this debate and discussion. It will be the first time since we have returned that we are going to have a real debate and discussion about jobs in this country and what we might do in this body to address those issues.

HAITI

Mr. DODD. Secondly, on an unrelated matter, I was alarmed but not terribly surprised to pick up the morning news-

papers and to read what I thought might happen. I did not wish it to happen, but I thought it might happen in the island nation of Haiti.

Over the past weekend, I warned, as others did, if we did not step up and try to support a democratically elected government, albeit a flawed one but a democratically elected government, we would end up reaping what we sow. And we are doing just that.

In the headlines this morning we read things such as: Haiti rebel says he is in charge and has taken over down there. The man's name is Guy Philippe. This is a person who has a dreadful human rights record. These are people who ran death squads and are involved in the drug trades. They are now taking over. Anarchy apparently is reigning in the island nation of Haiti.

Parts of this article state the country is in my hands, this so-called rebel leader says. Although American officials denounced the armed rebels and said they should have no role in ruling Haiti, the American forces did not take any action to counter them at all. They have now taken over in that country and are apparently in charge down there. Anarchy is reigning. There are bodies in the streets of Port-au-Prince.

What I feared might happen if we did not stand up and support a democratic government—and again I will say a flawed one, but when the United States decided we were going to put a foot in the back of this elected President and send him out of the country, we warned the vacuum would be filled by the worst elements. In fact, I read over last evening and this morning that Baby Doc Duvalier, the worst oppressive leader in that country, and his father, wants to come back to Haiti under this new operation that is going on down there.

I am terribly disappointed the administration failed to step to the plate. I knew it was going to be difficult, but if we cannot support democratically elected governments—and again I will repeat, whatever problems Aristide had, they were not a few; they were many. Nonetheless, he was chosen by the people of that country on two different occasions, overwhelmingly so. If we are unwilling to stand and back democratically elected governments in this hemisphere and give a wink and a nod to those who replace governments that have been duly elected, we will see a repetition of what occurred in Haiti elsewhere. We are seeing it in Caracas, Venezuela, because we are endorsing the notion that when we don't like leaders in certain countries, we will ignore the chaos that can result from changing of government other than through the normal means of elected government. That is something that can happen, and it has happened.

So I rise to express my deep disappointment that once again the administration, in this hemisphere, is just failing terribly, and Haiti is a classic example of failure. We now have a huge mess on our hands.