

at \$1.8 trillion. But, regrettably, its liabilities exceeded its assets and the Federal Reserve Bank of New York had to step in and rescue it when the value of its assets plummeted.

Most recently, two Bear Stearns hedge funds, based in the Cayman Islands, but run out of New York, collapsed without any warning to its investors. Because of the location of these financial institutions—in a secrecy jurisdiction, outside the U.S. safety net of appropriate supervision—their desperate financial condition went undetected until it was too late.

Of course, BCCI Overseas, which was part of the then largest bankruptcy in history, was also “chartered” in the Caymans.

We have to learn from our mistakes. Any significant infusion to the financial system must carry assurances that it will not add to the pool of money beyond the safety net and supervisory authority of the United States. Moreover, the trillions of dollars currently offshore and invested in funds that could impact the American economy must be brought under appropriate supervision.

If Congress and Treasury fail to bring under U.S. supervisory authority the financial institutions and transactions in secrecy jurisdictions, there will be no transparency with the inevitable consequences of the lack of transparency—namely, a repeat of the unbridled greed and recklessness that we now face. Because of the monolithic character of world financial markets, a default crisis anywhere becomes a default crisis everywhere.

HONORING OUR ARMED FORCES

Mr. DODD. Mr. President, I rise with great sadness and a heavy heart to remember a young man and a great American. Army 1LT Thomas Brown, a native of Shelton, CT, was killed in action in Iraq a few days ago—the 41st citizen of my State to lose his life in the Iraq or Afghanistan wars. He was 26 years of age.

We honor the sacrifice of all our men and women who give their lives serving this country. But it is never easy to lose someone so young—especially someone for whom life so clearly had much more in store.

As a teenager, Lieutenant Brown attended Notre Dame Catholic High School in Fairport, where it has been said he was all but inseparable from his twin brother, Timothy. He was an honor student and an athlete.

He would graduate from George Mason University in 2004, and like so many young people, he was eager to serve his country—to give something back. He attended Ranger school, Airborne school and officer candidate school.

This young man would go on to serve in the Army’s 2nd Battalion, 6th Infantry Regiment, 2nd Brigade Combat Team of the 1st Armored Division. There, I understand, Lieutenant Brown earned great respect and admiration from his fellow soldiers.

Lieutenant Brown was known among his comrades as an officer who led by example, not by order, and was immensely proud to serve his country in the U.S. Army. He was also known for his passionate love of the Boston Red Sox, and for his truly generous spirit.

In recognition of his heroic service and sacrifice, Thomas Brown was post-

humously awarded the Bronze Star Medal and the Purple Heart.

One of the saddest facts in this young soldier’s passing is that he was due to take leave and return home in 3 short weeks to visit his friends, family and girlfriend. He wanted nothing more than the chance to visit home.

Timothy Brown said recently of his brother: “He wanted to make a difference.”

Let the record show that 1LT Thomas J. Brown, in his 26 short years on this Earth, did make a difference—and that we are forever grateful for the remarkable contributions he made to the country he did so love.

U.S.-INDIA NUCLEAR COOPERATION AGREEMENT

Mr. CASEY. Mr. President, I want to convey some brief remarks regarding my views on the United States-India civil nuclear cooperation agreement. I cast a “yes” vote on this agreement, but not without some serious reservations regarding the likely damage this agreement will do to the global nuclear nonproliferation regime.

I had the opportunity to visit India earlier this year, spending a day meeting senior government leaders in New Delhi and another day in Hyderabad, where I witnessed first hand the dynamic entrepreneurship that has recently transformed India into an economic powerhouse, albeit with still extreme poverty. Let me be clear: The United States and India, sharing a common commitment to democracy and personal freedoms, are natural allies. I congratulate President Bush for building upon the initial steps taken by his predecessor, President Clinton, in nurturing closer ties between our two great nations and laying the building blocks for an enduring strategic partnership.

India’s exclusion from global trade in civil nuclear energy, a direct consequence of its 1974 nuclear weapons test utilizing equipment and materials imported for a civilian energy program, represented a continuing thorn to an otherwise blossoming United States-Indian relationship. Right or wrong, it was always the United States that was viewed as the leading advocate of the firewall between India and global nuclear trade—even though India never signed the Nuclear Non-Proliferation Treaty, NPT. So I understand why a resolution to this issue was necessary if the United States and India were to achieve a genuine partnership that could endure in coming decades.

My strongest criticism of the United States-India nuclear cooperation agreement is that, in exchange for a historic exception to the principle that those states that refuse to abide by the Nuclear Non-Proliferation Treaty cannot enjoy the fruits of global civilian nuclear trade, the United States did not ask enough in return from the Indian Government. We could have

pressed New Delhi to sign the Comprehensive Test Ban Treaty and forswear all future nuclear weapons tests. But we did not. We could have urged New Delhi to agree to a national moratorium on production of nuclear fissile material, linking that moratorium to a similar pledge by Pakistan. But we did not.

I worry over the message this agreement sends to states like North Korea and Iran. Are their leaders to believe that, with the passage of time, one day the international community will also accept their nuclear weapons programs as a de facto reality and move to accommodate such programs? How do we convince the international community to demonstrate solidarity against Iran’s violations of the NPT while giving a pass to India’s refusal to abide by this very same treaty? Of course I am not equating the two states—India is a democratic regime, a friend of the United States, and a force for stability in the world. There is no comparison. But I am concerned when we begin to divide the world into “good” proliferators and “bad” proliferators—instead, we need to send the message that all nuclear proliferation harms our security and increases the odds that a nuclear weapon will one day be used and kill millions.

Nevertheless, at every step of the process over the last 3 years, administration officials often appeared excessively sensitive to the need to smooth over domestic political concerns in India while downplaying concerns expressed by nonproliferation experts. So I congratulate Chairman BIDEN and Ranking Member LUGAR for their persistence in ensuring this final agreement is a real improvement over initial administration proposals. The legislation before us clarifies some of the deliberate ambiguities contained within the Article 123 United States-India agreement and the international exemption for India provided by the Nuclear Suppliers Group.

The United States-India civil nuclear initiative is a flawed agreement. Nonetheless, I am casting a “yes” vote for this legislation for two primary reasons. First, in many respects, the damage to the global non-proliferation regime has already been done. The decision taken last month by the Nuclear Suppliers Group to provide a universal exemption to permit India to participate in civil nuclear trade means that, even if the United States Congress were to reject this agreement, other nations like Russia and France are free to initiate their own civilian agreements with India. The net result of a United States rejection would likely only ensure that United States companies—and United States workers—will be unable to participate in the fruits of civilian nuclear trade with India.

Second, a “no” vote on this agreement will be unfairly construed as a rejection of a broader strategic alliance between the United States and India. Through his rhetoric and actions,