

## SENATE—Wednesday, September 14, 1988

(Legislative day of Wednesday, September 7, 1988)

The Senate met at 9:30 a.m., and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

## PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

\* \* \* *He that is greatest among you shall be your servant.*—Matthew 23:11.

Father in Heaven, we want to thank You this morning for all of the men and women who labor faithfully at their tasks, day in and day out, generally without any recognition—yet without them, the machinery of life would grind to a halt. Forgive us, Gracious God, for taking for granted these people upon which all of us are so dependent in these buildings and in this city. Thank You for those who clean the streets, who take away the trash, who maintain buildings and grounds, who provide security, who prepare and serve food, who run errands, who keep records. Without them, Lord, we could not continue. Contemplating the absence of all of these faithful servants for a week is unthinkable.

With praise to You and gratitude to them, we ask Your blessing upon each of them and all of them, their families, their peers. Keep us aware of these indispensable ones and sensitize us to their needs and to our dependence upon them. We pray in His name who exalted servanthood as the suffering servant for all. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, September 14, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,  
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. BYRD. I thank the Chair.

## FAREWELL TO SENATOR ROBERT T. STAFFORD

Mr. BYRD. Mr. President, in saying farewell to Senator ROBERT STAFFORD, this Chamber is saying goodbye to a man who has long been on the Vermont political scene and has occupied nearly every political office in his State. From 1938 to 1951, he served in the State's attorney's office for Rutland County. From 1953 to 1955, he was in the State's deputy attorney general's office. From 1955 until 1957, he was the State's attorney general. From 1957 until 1959, he was the Lieutenant Governor of his beautiful State. In 1959, he was elected Governor.

Continuing with public service, this durable and successful politician moved from State office to Federal office. For a decade, 1961 to 1971, he held Vermont's single seat in the House of Representatives. In September 1971, Gov. Deane C. Davis named him to the Senate upon the death of Senator Winston L. Prouty.

In taking a seat in the U.S. Senate, ROBERT STAFFORD became the 83d American in history to have served as Governor, Representative, and Senator from the same State. It was at the request of the Nixon administration that he made the quick switch from House of Representatives to the Senate, and the rapidity of this switch enabled him to become one of the few men in history to vote on the same bill in both Houses of Congress.

When he took his seat in the Senate, Senator Hugh Scott introduced him by saying: "His intelligence and his strength of character, as well as his firmness of opinion and his excellent judgment, are all qualities which the Senate can enjoy with added benefit."

With 17 years of hindsight, we can truly appreciate Senator Scott's foresight. Senator STAFFORD has proved to be a fine gentleman as well as an outstanding Senator. His word is his bond. His integrity is beyond reproach. We have enjoyed and profited from his unassuming presence, quiet leadership, and dedicated and effective public service.

His service in the Senate has included positions on the Special Committee

on Aging, the Special Committee on Official Conduct, the Labor and Human Resources, Veterans' Affairs, and Environment and Public Works Committees which he chaired from 1981 to 1987. He also chaired the Education Subcommittee of the Labor and Human Resources Committee.

In these positions, in particular, and as a U.S. Senator, in general, Senator STAFFORD has played crucial roles in protecting and promoting this Nation's precious but limited environment, such as his role in establishing the "Superfund" for waste cleanup. And it involved his role in developing and improving the education of American youth. He was often the swing vote on crucial environmental and educational issues, and this meant going against his own political party. But he put national interests above partisan politics, and the people of United States benefited.

His promotion and support of education was monumental, and it will be an enduring legacy to his long, productive senatorial career. It involved support for education in all forms and at all levels. It included his vigorous support for the enactment of the Vocational Education Act and the Higher Education Facilities Act of 1963. It included his work on behalf of disadvantaged children—helping to insure that they have the same educational opportunity as wealthier children. "Economic status does not guarantee brains," he once pointed out.

It has involved his work on behalf of America's mentally retarded citizens as he has provided important support for the Mental Retardation Facilities Act and cosponsored the Rehabilitation Act of 1973. With his interest in the Nation's handicapped citizens, it is not surprising to learn that one of his best friends is my former colleague from West Virginia, Senator Jennings Randolph, who also worked so hard and effectively on behalf of the Nation's handicapped.

He is now ending a congressional career that began nearly three decades ago. He is ending an entire adult life in public service. It has been quite a career and quite a life for a person who decided way back in 1951 "to drop out of politics."

Fortunately for the people of Vermont and the United States, as well as the U.S. Senate, he did not drop out.

The good people of Vermont obviously felt the same way, as they kept

sending him back to the Senate to represent them.

I know that the men and women of this Chamber have appreciated and loved him. The U.S. Senate needs people with the kind of compassion, dedication, vision, and perseverance that the Senator from Vermont [Mr. STAFFORD] has shown so consistently and so long. He will be difficult to replace.

My wife, Erma, and I wish him much happiness and good health in his retirement.

#### RESERVATION OF TIME OF THE REPUBLICAN LEADER

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Vermont.

#### EXPRESSION OF APPRECIATION

Mr. STAFFORD. Mr. President, I will yield the floor in just a second.

I express my very deep appreciation to the majority leader for the very kind words that he has spoken this morning about the Senator from Vermont.

I do want the majority leader to know how much I have admired him and the way he has run this Senate over all of the years that I have been here, with the exception of the first four when Senator Mike Mansfield was the majority leader and Senator BYRD was the assistant majority leader, and later when he was the minority leader and Senators Baker and DOLE were majority leaders.

I consider the Senator from West Virginia, our majority leader, to be a true outstanding American and typical of the American dream that a man can start from humble beginnings and become a very important leader in this country.

For that reason especially I appreciate the kind words of the Senator from West Virginia, our majority leader.

Mr. BYRD. Mr. President, if the Senator will allow me, I have been in the leadership on this side of the aisle for 22 years in one capacity or another,

and I have been actually the floor leader, if I might be so modest as to say it, for 22 years. Mr. Mansfield allowed me to do the floor work when I was secretary to the Democratic conference and when I was the whip.

Not once in all of that time has the Senator from Vermont ever been a problem to this Senator in whatever capacity I was serving as a part of the leadership on this side. He has always been a perfect gentleman, and that is saying a lot.

Mr. STAFFORD. The Senator from Vermont very much appreciates that.

Mr. BYRD. I do not know of any higher title that one can give than that.

I will always remember him with a great deal of affection and fondness and with the highest personal esteem.

Mr. STAFFORD. I thank the leader, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, that was a marvelous tribute our leader, Senator BYRD, paid to Senator STAFFORD, and it was the truth. This is a great U.S. Senator, BOB STAFFORD. As I said yesterday, he is Mr. Environmental Protection in the Senate, covering both parties. He is also a great champion of education and he has been, as the leader said so well, a true gentleman in every sense as well as a vigorous advocate of his viewpoint and the viewpoint of his party.

#### AMERICA'S HEALTHIER, HAPPIER FUTURE

Mr. PROXMIRE. Mr. President, this is the second in a series of speeches on why the future is going to be far brighter for American citizens than the past. This is true regardless of economic developments. The country will certainly suffer recessions in the future. We may endure another full-fledged depression. Certainly our children and grandchildren will have to bear an immense interest burden because of the huge national debt, the even larger household debt and the biggest of all time business debt. In my last speech on the improving life for Americans I talked about what improved education will do to provide a better life for a more literate, more highly skilled, more adaptable American people.

Today I will discuss the single most important element in a happy and successful life: Health. Americans have already sharply improved their health. This improvement is most clearly evident in the present generation. The improvement is ongoing. We live longer, have fewer days of illness, suffer fewer aches and pains, are better equipped to diminish the aches and pains we do suffer than our parents and far better than our grandparents.

There is every reason to expect that our children and grandchildren will be even healthier. The statistics are emphatic. They're consistent. Americans are living longer with each passing year. Life expectancy is now past 70. It is increasing year by year. Until 1950 much of this progress was because of diminishing infant mortality. Today it is because of better control of chronic diseases among the middle aged and the elderly. And especially because of an onrushing improvement in how Americans live, in the last 15 or 20 years, there has been a remarkable change in life style: diet, exercise, and relaxation that has helped greatly to extend life. Cigarette smoking which had been rising until the middle of the century has begun to diminish. Today only about 30 percent of American adults smoke, the lowest level in years and smoking continues to fall.

The two great killers: Heart disease and cancer have declined in the mortality tables in every decade since 1950. They will continue to diminish in coming years. Heart bypass operations and heart transplants have provided sensational life saving. Earlier detection, prompter treatment including surgery for cancer victims have saved millions of lives. But the avoidance of fatty, cholesterol-laden foods and the recognition that cigarettes are truly coffin nails may have played an even greater role in saving lives and diminishing the incidence of those two great killers, heart disease and cancer. Will this improvement in health continue for our children? Of course it will and no economic setback, no recession, no depression will stop it or even slow it down.

Many experts tell us that the greatest contribution to a healthy life comes through regular, vigorous, extended, daily exercise.

Let's be specific. How much can exercise reduce the incidence of heart disease? What specific documented evidence actually proves that exercise diminishes heart disease? The fact is that a number of observational studies funded by the Federal Government have shown the incidence of coronary heart diseases to be about half as high among men who regularly take part in vigorous physical activity. Get that? An American's chances of avoiding a heart attack are literally twice as good if he engages in regular physical exercise.

But does exercise really make a person happier? Yes indeed. The antidepressant effects of exercise are widely accepted. Experimental studies have again and again shown a reduction in temporary anxiety states. What does that mean? That means we're less sad. It means we're happier when we exercise. But do we exercise that much more? We sure do. National polls show that the amount of time



spent by adults in vigorous physical activity has increased in the past 20 years. And it will increase. Come recession or economic depression. We're going to be happier and healthier.

One of the Nation's great heart experts, when asked how to avoid heart trouble, offered a two-word prescription: "Keep moving." Anyone sitting in his car, driving to work or lolling near an open window watching the world go by must have been struck by the remarkable increase in recent years in the number of people jogging, running or rapidly pacing down the sidewalk. When this Senator started running 5 miles to work every morning about 25 years ago, I was recognized as the freak I am. But no longer. Today people of all shapes, sizes, and ages as well as both sexes are out running, hiking, jogging along the sidewalks of this and every other city and town in America as if their lives depended on it and of course they do. And we're just beginning. America is steadily increasing its running, walking, rowing, calisthenics, golf, tennis, and soccer. America especially has a healthier future ahead of it, as it finds exercise is fun.

That brings us to the most important contribution better health will bring to future Americans. Life will not only be longer. It will be better. Not only will we have more years in our life, we will have more life in our years. We will consume less alcohol, less tobacco, less fat. As we walk and run and play through life we will feel so much better: More energetic, less aches and pains, more easy, healthy laughter, and less sad depression.

Can we live the healthy life through economic depression? We sure can. When we can't afford the quick and easy highs of intoxicating beverages, we can always afford to get up, stretch our legs and take a long, fast-paced hike. Exercise not only increases your resistance to disease. It not only stimulates our energy. It helps us to relax more easily. We sleep better. Our tension lifts. Our troubles blow away. We laugh more easily and more often. No recession, no economic depression can take that away from Americans.

So what's right about America's future? It will be healthier. A lot healthier.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

### ATMOSPHERIC CONTAMINATION—III

Mr. STAFFORD. Mr. President, I have in my hand a common styrofoam coffee cup, the kind we used to have available in Senate cafeterias and dining rooms in this building.

The blowing agent that helps to hold this cup rigid and that provides insulation is one of a family of chemicals known as chlorofluorocarbons, [CFC's] for short or freons as the public know them. These are the chemicals that are used as cleaning agents in manufacturing processes and as refrigerants.

The chemical used in this cup has a lifetime of 150 years. And, when it is released into the atmosphere—and it will be released into the atmosphere sooner or later—this CFC will play its part in the destruction of the Earth's stratospheric ozone layer and in the creation of the so-called greenhouse effect.

Production of CFC's was commercially insignificant until 1931. But, by 1984, the production of only two of the chemicals in this family—CFC's 11 and 12—was about 1.4 billion pounds.

Each pound of CFC contains billions of molecules of CFC's and each of those molecules has the ability to destroy 100,000 molecules stratospheric ozone.

Each and every molecule of CFC's ever produced by a man is still in existence today and will still be around for another century or so and will continue destroying ozone molecules in the stratosphere day after day.

Those ozone molecules make up the ozone layer in the stratosphere that protects all living things on Earth from the deadly radiation of outer space. That layer is being weakened everywhere by CFC's. In addition, over the Antarctic, a hole in the layer as big as North America occurs each winter.

The message is clear—the release of CFC's into the air is a threat to life on Earth. And, CFC's are not the exception. They are the rule. We are flooding the atmosphere with a variety of polluting chemicals that threaten our health and our lives.

In the United States alone, each year we dump an average of 37,000 pounds of air pollution into the atmosphere for each man, woman, and child in this country.

Our use of fossil fuels to power the development of the world in the 20th century has resulted in sixfold increases in annual sulphur dioxide emissions since 1900. Nitrogen oxide emissions have increased tenfold in

the same period. These gases, along with hydrocarbons, are the major sources of both urban air pollution and acid rain.

Fossil fuel combustion also forms carbon dioxide, one of the gases believed to cause global warming and climate change. Annual global emissions of carbon dioxide have increased tenfold in this century.

Depending on its capacity, each tank of gasoline produces about 400 pounds of carbon dioxide. The average electric powerplant sends 2 pounds of coal up its smokestack for every pound it converts into electricity.

Most of the pollutants we pump into our atmosphere do not exist in nature, and of those that do occur naturally, they do so in vastly smaller quantities.

So, it is easy to overlook the enormous aggregate total and, more importantly, the extreme potency of many of the pollutants. For example, concentrations of ground level ozone are regulated by the Environmental Protection Agency under provisions of the Clean Air Act. The EPA has established 120 parts per billion of ozone as a level that is safe.

But, ozone is a potent chemical agent. At 120 parts per billion, ozone begins to change cell walls within seconds of entering the human lung. We have this knowledge at a time when the soup of pollutants we breathe is thicker and more unhealthy than ever before.

Up to now, as our standard of living has advanced through rising levels of industrial production, pollution has increased as well. We must uncouple those two conditions before it is too late.

We have to produce less pollution by using less fossil fuel and by eliminating the releases of other chemicals, like CFC's, that cause us so much trouble. It is pollution that costs us so much money, not pollution control.

I ask unanimous consent that tables and other data summarizing the amounts of pollution released in the United States and in the rest of the world be printed in the *Record* at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STAFFORD. Mr. President, tomorrow I will discuss briefly the roll of the most common of our air pollutants—carbon dioxide.

Mr. President, I yield the floor.

**EXHIBIT 1**  
**ANNUAL EMISSIONS OF ENVIRONMENTALLY IMPORTANT TRACE GASES, 1925-85**

Year	Chlorofluorocarbons (thousand metric tons)		Carbon dioxide (million metric tons of carbon)		Year	Chlorofluorocarbons (thousand metric tons)		Carbon dioxide (million metric tons of carbon)	Biotic sources	
	CCl <sub>4</sub> F (CFC-11)	CCl <sub>2</sub> F <sub>2</sub> (CFC-12)	Biotic sources	Fossil fuel combustion and industrial processes		CCl <sub>4</sub> F (CFC-11)	CCl <sub>2</sub> F <sub>2</sub> (CFC-12)		Fossil fuel combustion and industrial processes	
1925	0	0	886	X	1956	28.7	56.1	1,655	2,185	
1926	0	0	942	X	1957	32.2	63.8	1,662	2,278	
1927	0	0	997	X	1958	30.2	66.9	1,675	2,339	
1928	0	0	1,045	X	1959	30.9	74.8	1,682	2,470	
1929	0	0	1,059	X	1960	40.5	89.1	1,689	2,586	
1930	0	0	1,073	X	1961	52.1	99.7	1,696	2,602	
1931	0	.1	1,087	X	1962	65.4	114.5	1,703	2,709	
1932	0	.1	1,101	X	1963	80.0	133.9	1,703	2,855	
1933	0	.1	1,101	X	1964	95.0	155.5	1,710	3,016	
1934	0	.2	1,135	X	1965	108.3	175.4	1,772	3,154	
1935	0	.3	1,149	X	1966	121.3	195.0	1,821	3,313	
1936	0	.5	1,163	X	1967	137.6	219.9	1,869	3,420	
1937	0	.8	1,184	X	1968	156.8	246.5	1,918	3,595	
1938	.1	1.2	1,191	X	1969	181.9	274.3	1,925	3,808	
1939	.1	1.7	1,205	X	1970	206.6	299.9	1,883	4,116	
1940	.1	2.3	1,218	X	1971	226.9	321.8	1,869	4,267	
1941	.1	3.0	1,225	X	1972	255.8	349.9	1,855	4,435	
1942	.1	3.7	1,239	X	1973	292.4	387.3	1,835	4,678	
1943	.2	4.5	1,253	X	1974	321.4	418.6	1,835	4,684	
1944	.2	6.1	1,267	X	1975	310.9	404.1	1,835	4,660	
1945	.3	8.0	1,288	X	1976	316.7	390.4	1,835	4,924	
1946	.6	13.9	1,302	X	1977	303.9	371.2	1,828	5,065	
1947	1.3	21.3	1,315	X	1978	283.6	341.3	1,821	5,108	
1948	2.3	24.8	1,336	X	1979	263.7	337.5	1,814	5,345	
1949	3.8	26.6	1,350	X	1980	250.8	332.5	1,807	5,255	
1950	5.5	29.5	1,454	1,639	1981	248.2	240.7	X	5,115	
1951	7.6	32.4	1,516	1,776	1982	239.5	337.4	X	5,079	
1952	11.0	33.7	1,565	1,803	1983	252.8	343.3	X	5,068	
1953	15.0	37.9	1,620	1,848	1984	271.1	359.4	X	5,252	
1954	18.6	42.9	1,634	1,872	1985	280.8	368.4	X	5,400	
1955	23.0	48.2	1,641	2,050						

<sup>1</sup> Preliminary, 0 = zero or less than half the unit of measure. X = Not available

Sources: Chemical Manufacturers Association; Ecological Monographs; and University of New Orleans.

**ATMOSPHERIC CONCENTRATIONS OF ENVIRONMENTALLY IMPORTANT TRACE GASES, 1959-86**

	Parts per million, CO <sub>2</sub>	Parts per trillion				Parts per billion	
		CCl <sub>4</sub>	CH <sub>3</sub> CCl <sub>3</sub>	CCl <sub>3</sub> F (CFC-11)	CCl <sub>2</sub> F <sub>2</sub> (CFC-12)	N <sub>2</sub> O	CH <sub>4</sub>
1959	316.1	X	X	X	X	X	X
1960	317.0	X	X	X	X	X	X
1961	317.7	X	X	X	X	X	X
1962	318.6	X	X	X	X	X	X
1963	319.1	X	X	X	X	X	X
1964	319.6	X	X	X	X	X	X
1965	320.4	X	X	X	X	X	X
1966	321.1	X	X	X	X	X	X
1967	321.8	X	X	X	X	X	X
1968	322.8	X	X	X	X	X	X
1969	324.2	X	X	X	X	X	X
1970	325.5	X	X	X	X	X	X
1971	326.5	X	X	X	X	X	X
1972	327.7	X	X	X	X	X	X
1973	329.8	X	X	X	X	X	X
1974	330.4	X	X	X	X	X	X
1975	331.0	104	70	120	200	291.4	1,525
1976	332.1	106	78	133	217	293.3	1,555
1977	333.6	115	86	148	239	294.6	1,573
1978	335.2	123	94	159	266	296.4	1,596
1979	336.6	116	112	167	283	296.3	1,619
1980	338.4	121	126	179	307	297.6	1,639
1981	339.5	122	127	185	315	298.5	1,656
1982	340.7	121	133	193	330	301.0	1,671
1983	342.7	126	144	205	350	300.9	1,663
1984	344.3	130	150	213	366	300.4	1,689
1985	345.6	130	158	223	384	301.5	1,711
1986	346.7	X	X	X	X	X	X

<sup>1</sup> Estimated from January-October monitoring data. X = Not available.

Sources: Scripps Institution of Oceanography; and Science.

Mr. REID addressed the Chair.  
 The ACTING PRESIDENT pro tempore. The Senator from Nevada.

**SENATOR ROBERT T. STAFFORD**

Mr. REID. Mr. President, I wish to compliment the senior Senator from Vermont on his statement today.

I, coincidentally, have a statement also today on the greenhouse effect. I would indicate to the Members of the Senate that the leader, of course, in the environmental battle since I have been in the Senate has been the senior Senator from Vermont. I serve on the

Environment and Public Works Committee with him. I found that to be one of the real pluses of being in the Senate, to have had the opportunity to serve with BOB STAFFORD.

I also recognize the work that he has done on chlorofluorocarbons. I have looked at the legislation that he will introduce tomorrow—I think it is outstanding—setting a cutoff date at the turn of this century. This is only one of the many things he has done, but I compliment him on the work in this area, especially.

Mr. STAFFORD. Mr. President, if the Senator will yield. Very briefly, I

would like to say how much a pleasure it has been to serve with him on the Committee on Environment and Public Works. I very much appreciate his very gracious words this morning.

**DEPLETION OF THE OZONE LAYER**

Mr. REID. Mr. President, I spoke the other day concerning one of the very important and difficult environmental problems that face us as a world, and that is the so-called greenhouse effect that Senator STAFFORD so well described just a minute ago. This



is, of course, where increased carbon dioxide levels are resulting in a general trend toward global warming which can result in flooding, drought, sickness, and pestilence. This is only one of several environmental problems that we must deal with in the near future. A second problem that we must tackle is the depletion of the ozone layer.

Mr. President, there was barely enough time to celebrate: Less than 6 months after nations agreed to cut down on chemicals that kill the Earth's ozone layer, the bad news hit—damage might already be three times greater than assumed by the international agreement on the protection of the ozone layer signed in Montreal in September 1987. The Montreal Treaty orders first a freeze and then, by 1999, a 50-percent cut in chlorofluorocarbon consumption in developed nations.

Ozone in the upper atmosphere protects the planet from the Sun's ultraviolet rays that can cause skin cancer, damage the eyes and the immune system and kills small plants and animals. Each 1 percent drop in ozone results in a 2 to 3 percent rise in the ultraviolet light which reaches the Earth.

Damage now is being caused by chemicals released in the 1970's and earlier. Chlorine based chemicals rising today will take 7 to 10 years to reach the stratosphere, 6 to 15 miles above the Earth's surface. Once there, the destructive chlorine molecules remain for as long as a century. A thorough analysis by more than 100 top scientists was released on March 15 of this year by NASA indicates that the ozone layer has already been depleted by up to 3 percent since 1969. Prior to this finding it had only been assumed that there had been about a 1-percent global ozone loss. The hole in the ozone is spreading outward toward populated areas in South America. It now covers an area as big as that of the United States.

Mr. President, there is little that we can do about the chlorine based chemicals that have already been released into the atmosphere and are now working their way upward where they do severe damage. However, we must take action now if we are to put a stop to this process and keep the damage from becoming even greater. Some first steps have been taken. A week after the NASA's announcement, Dupont—the world's largest producer of chlorofluorocarbons—announced plans to end all production of those chemicals but has not yet specified a date.

Earlier this year, the Senate ratified the Montreal Treaty to protect the ozone layer as well. We should not rest on these accomplishments but should continue to do everything that we can to eliminate further use of these chemicals. Although the damage al-

ready done is irreversible, we must make every effort to see that it does not get worse.

Mr. President, chlorofluorocarbons are not the only chemicals that we have to worry about in terms of the damage being done to our environment. Between 1,000 and 2,000 chemicals come on the market every year. More than 7 million are now known and thousands of new ones are being discovered each year. They are a double-edged sword. Beneficial but potentially deadly.

Bhopal, Chernobyl, Love Canal, the Rhine—the scale of accidents involving toxic chemicals have dramatically increased over the past few years. There are so many hazardous chemicals and the number is increasing so fast that it is difficult for most countries, particularly underdeveloped ones, to keep ahead of the game. We must do a better job of providing information to developing countries on what chemicals are most dangerous and how they can best be handled.

But information alone is not enough. Tougher national and international controls are also essential. It's likely that international controls can only be accomplished through an international treaty to control the manufacture and handling of hazardous chemicals. We are already seeing cases where stringent regulations in developed countries have resulted in an increase in waste dumping in the seas or in developing countries. We need to get an international agreement that will do a better job of controlling the use of these chemicals globally.

Mr. President, I commend and applaud the chairman of the Environment and Public Works Committee for holding hearings. In fact, today, in just a few minutes, there will be a hearing that will begin on the effects of the greenhouse problem that we have discussed earlier and Senator STAFFORD discussed earlier. I do recognize that this is a problem worldwide in scope and it is something that must receive worldwide attention.

I yield the floor.

#### EXTENDING MORNING BUSINESS FOR 20 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended for 20 minutes and that I be permitted to speak therein.

THE ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### DISNEYLAND STRATEGIC POLICY AND THE WHITE HOUSE

Mr. BYRD. Mr. President, on September 7, a week ago today, the President made a highly rhetorical speech on defense matters, and accused the Democratic Presidential candidate of

advocating a "return" to what the President termed a "Disneyland defense policy."

The New York Times carried a story on the President's speech with the headline "Reagan Asserts Democrats Would Hinder U.S. Defense." I quote from a paragraph therefrom:

Zeroing in on the Democrats, Mr. Reagan said, "We are still fighting the same battle we were fighting when I addressed you eight years ago." He said the Democratic Party "hides behind heroic rhetoric."

The Washington Post carried the story headlined "Reagan Scorns Dukakis on Defense," subheadlined "Democrat's 'Disneyland' Policies Are Called Menace to Security."

The speech was an attempt at an amusing series of mental images from the world of Disney, such as Mickey Mouse, Goofy, and Donald Duck, in order to illustrate the argument of this very political White House that Democrats are weak on national defense, and soft on our national security. This imagery might be amusing if the subject were not so serious and vital to the future of our country, and if this administration's deterrent posture stood on more solid ground.

Politics, unfortunately, has intervened far too much in what should be decisions made solely on national security grounds. The White House team has allowed partisan politics to govern major decisions on vital security questions. There is no area in which this is more clear than on the 8 years of neglect and nonsense surrounding the nondecisions made on America's long-range missiles. If anyone is qualified to discourse on Disneyland, it is this White House, which has vacillated on our land-based missile vulnerability. This administration should have deployed a survivable land-based missile system years ago, as it promised the American people it would do.

Indeed, Mr. President, there can be no starker contrast than the comparison between the rhetorical promises of this administration to solve this problem and its miserable failure to act to do so. Clever rhetoric is not enough when the issue is one of such importance to the security of the American people. This President, as a candidate in 1980, promised to remedy the growing vulnerability of our missiles, even as he criticized the proposal of the previous administration to do so in the so-called racetrack deceptive basing system. In retrospect, if we had that system deployed today, we would have provided for the effective survivability of the MX missile at a far cheaper cost than it will take during the next administration. Furthermore, our leverage over the Soviets on arms control matters would be far greater.

The 1980 Republican platform said, "In order to counteract the problem of ICBM vulnerability, we will propose a

number of initiatives to provide the necessary survivability of the ICBM force in as timely and effective a manner as possible. In addition, we will proceed with the earliest possible deployment of the MX missile in a prudent survivable configuration." The racetrack plan was rejected by this administration for three reasons: First, like any comparable system, it was costly; second, it was objectionable to the President's base of support in the Western States where it was to be deployed and; third, frankly, to embrace it would have admitted the viability of a plan which was vilified by candidate Reagan during his Presidential campaign.

Three years later, the administration still had accomplished no progress toward its goal of an alternative survivable basing mode, but reiterated the theme, which we all can agree with, that, without a survivable system on the drawing boards, the Soviets would have no incentive to negotiate an equitable arms control treaty with the United States on strategic systems. The President said this on April 19, 1983: "Make no mistake; unless we modernize our land-based missile systems, the Soviet Union will have no real reason to negotiate meaningful reductions. If we fail to act, we cannot reasonably expect an acceptable outcome in any arms control negotiation and we will also weaken the deterrent posture that has preserved the peace for more than a generation."

Lest there be any doubt about the vulnerability of our silo-based Minuteman and MX force, here is what Secretary of Defense Caspar Weinberger said to the Senate Armed Services Committee on December 2, 1982, nearly 6 years ago: "We believe 95 percent of the existing Minuteman system would be lost to a Soviet first strike \* \* \* so we now have an urgent need to strengthen, to redress the neglect of the past several years that has weakened the balance and the effectiveness of our strategic deterrence."

Frustrated with the inability of the Reagan administration to come up with a viable basing scheme, the Congress ultimately required the administration to select a permanent basing mode for the MX by December 1, 1982. The resulting recommendation by the administration was the so-called densepack basing scheme, to deploy 100 MX missiles very closely together. This idea was supported only by some highly theoretical and unjustifiable arguments about survivability in such a basing mode. The scheme was summarily rejected by both sides of the aisle in the Senate before the ink was dry on it.

In response to the continued problems encountered by the administration in the search for a basing mode for the MX, a Commission on Strategic Forces, headed by former Gen.

Brent Scowcroft, was appointed. This Scowcroft Commission reported its recommendations in April 1983. It emphasized the need to pursue strategic stability and to structure our nuclear forces in ways that enhance stability. Primarily, this means that survivable basing modes are essential. The Scowcroft Commission recommended placing 100 of the MX missiles in existing Minuteman silos while processing immediately to begin work on a small ICBM with a single warhead—a missile that could be deployed with a survivable, mobile basing scheme. The Commission also recommended the pursuit of strategic arms control agreements which would enhance stability.

Many Senators will remember the very intense lobbying by the administration to persuade Congress to accept the dual recommendations of the Scowcroft Commission to procure some MX missiles while pursuing Midgetman. It was only the promise of the mobility of the Midgetman that persuaded the Congress to procure any new MX missiles at all, since the administration wanted to put them in existing silos, which simply put more lucrative eggs in the same old vulnerable holes. It is well to keep this in mind in light of the administration's current proposal to junk Midgetman entirely and deploy MX in yet another nonsurvivable mode, the so-called rail garrison deployment.

The Reagan administration embraced the Scowcroft report and used its concepts to gain approval for the initial deployments of MX's in Minuteman silos. It also accelerated development of the small ICBM. Congress supported these actions, although with continued skepticism regarding the MX deployment. After 2 years of debate, Congress ultimately determined that no more than 50 MX missiles would be deployed in the vulnerable silos. The Reagan administration, however, continued to place relatively little emphasis on survivability of the basing mode for the missile—the very issue which, according to this same administration, created the "window of vulnerability" in the first place.

After still more study, the administration determined in late 1986 that additional MX's should be deployed in the so-called rail garrison mode. In this scheme, the missiles are mounted on rail cars and garrisoned on military bases during peacetime. In crises, they could be dispersed over the Nation's rail system. This basing mode is not survivable unless the missiles are out on the tracks, and even then there is the possibility that terrorists or sabotage could destroy the missiles. The concentrations of missiles in their garrisons could give the Soviets a strong incentive for sneak attacks, since they would be able to wipe out the MX easily in its garrison.

The Congress has supported development of both the rail garrison system and the mobile small ICBM, but the Reagan administration's commitments have been less constant. Earlier this year, Secretary of Defense Carlucci recommended canceling the small missile, citing the "cost per warhead." The logic of the Scowcroft Commission concerning strategic stability and the virtues of the single warhead missile was ignored.

The current situation is that Congress has recommended that both programs be kept alive with sufficient funding to enable the next administration to make the final determination. Whatever is decided, it will be clear that the Reagan administration has wasted time and countless billions while unable to solve the problems of vulnerability which they said were urgent more than 8 years ago.

In the meantime, the Soviet Union has modernized both its land-based and sea-based missile forces and has begun deploying two new mobile ICBM's, the SS-25 and the SS-24. Thus, the Soviets have gone on building and deploying both fixed and mobile land-based missiles, while the administration has produced absolutely zero progress to solve the problem of the alarming vulnerability of our missiles to Soviet attack which the administration was so concerned about. During the 1980's, while the Reagan administration was studying, the Soviets were deploying new versions of the heavy SS-18's, the missile which can destroy all United States silo-based missiles, as well as other variants: SS-16's, SS-17's, and SS-19's, and finally, the mobile SS-24's and SS-25's already mentioned. In short, the Soviet Union has modernized its land-based missile force, improving the accuracy, the military capability, and the survivability of their forces. These developments pose a heightened threat to U.S. forces.

U.S. land-based missile vulnerability has grown progressively over the last 8 years, because the administration has been unable to produce an acceptable solution to make our missiles survivable. One ridiculous scheme after another has been floated, all of them rejected out of hand, because they were dominated by political considerations. Indeed, the fantasyland exhibits of this White House's defense Disneyland are loaded with the rejected systems that have been developed and discarded.

If anything deserves the names, "Goofy" and "Daffy", and "Mickey Mouse," it is those Rube Goldberg exercises, from "Big Bird" to "Dense Pack." The truth is that this administration has refused to bite the bullet and insulate our missile systems from attack. The White House has wasted nearly a decade, while the Soviets



have successfully modernized their missile inventory. It should be clear as to who is really weak and indecisive about defense policy.

The decade of neglect has resulted in making our country more vulnerable to a surprise attack, which could destroy our entire land-based missile force, the most powerful force the United States possesses—the most important leg of the strategic triad. Our land-based missiles are the jewel of our strategic nuclear defense. They combine reliability with high accuracy, great explosive power, and rapid delivery. The major problem is in the steadily eroding survivability of the system to Soviet attacks with their huge missile inventory. The result of that imbalance is that a President must launch U.S. land missiles as soon as an incoming attack is confirmed, a matter of less than one-half hour, or we will lose them. Our Commander in Chief is now in a use-it or lose-it situation, a hair-trigger situation, and the time available for sound decisionmaking is measured in minutes—not hours, not days, but minutes. This is a dangerous position for any President to be in, for the risks of accidental launch increase with computer error and other human failings. The Vincennes incident illustrates the problem we face when competent commanders are confronted with situations of high stress, information overload and confusion, and the need to act quickly or risk the loss of men and valuable assets. In such situations, even the best technology we now have provides no ready answer, no certainty that the right decision is being made. Uncertainties and stresses can lead to disastrous results intended by no one, and we are talking about the possible destruction of millions of lives here on Earth, not just one ship. In light of all these considerations, I have to conclude that our country may today be closer to accidental nuclear war with the Soviet Union than it was 8 years ago. As this administration ends its tenure, our country is less safe and more vulnerable than when it took office. No program exists to make our large missiles more secure from attack, and this neglect is a failure of the bedrock responsibility any administration is charged with when it is elected to govern America. And that kind of neglect is unconscionable.

In sum, the Reagan administration's handling of this issue is a tragicomedy of irresponsibility, indecision, false starts, wasted opportunities, and weak and contradictory actions. First, having correctly contended 8 years ago that there was a critical window of vulnerability which needed immediate attention, it has ignored its own arguments. Now it is not just the window which is open; the whole side of the house is open. The only land-based

missiles that have been deployed in 8 years have been deployed in vulnerable silos. Moreover, all Titan missiles have been retired. The result is that we have fewer land-based missiles deployed today than we did 8 years ago. So, we are more vulnerable, particularly in light of vigorous Soviet programs and deployments.

Second, incredibly, having opted for a period of time for the mobile Midgetman, the administration is backing off this option, and has even proposed to the Soviet Union that all mobile missiles be banned. Let us hope the Soviets reject this proposal, which would make permanent our inferiority in land-based missiles. Such an outcome in an arms control treaty, I believe, would face grave problems for Senate approval. It is, of course, highly unlikely the Soviets would accept this proposal in any case, since they have already deployed mobile missiles, and we have not. They would, therefore, be giving up a highly sophisticated, valuable system in return for nothing whatsoever. Mr. Gorbachev may appear amiable, but he is no more a philanthropist than is any other Soviet leader. The Reagan administration, which has argued for the MX deployment in any basing mode to enhance its bargaining power in Geneva, has failed to achieve an agreement with the Russians in 8 years. In the meantime, the Soviets have deployed mobile ICBM's and continued their own modernization program without delay. The disparities between the United States and Soviet forces are far greater now than they were 8 years ago. The administration has failed to either deploy a modern and survivable ICBM or to achieve a sound strategic arms control agreement.

The 1989 Defense authorization bill, recently vetoed by this President, continues funding to keep both the Midgetman and rail MX in development so that the next President at least has the option to decide what system to finally deploy. The least this administration can do is to allow that legislation to become law so as to preserve our Nation's options in order to begin recouping the dangerous damage 8 years of vacillation has incurred.

So all in all, this administration is living in a glass house when it throws a stone at Democrats for its so-called Disneyland defense policies.

Mr. President, I ask unanimous consent to print in the RECORD the two news stories from the New York Times and the Washington Post to which I briefly referred.

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

[From the Washington Post, Sept. 7, 1988]  
**REAGAN SCORNS DUKAKIS ON DEFENSE—  
 DEMOCRAT'S "DISNEYLAND" POLICIES ARE  
 CALLED MENACE TO SOCIETY**

(By Lou Cannon)

LOUISVILLE, Sept. 6.—President Reagan charged today that the election of Michael S. Dukakis would undo the U.S. military buildup of the past eight years and replace it with a "Disneyland defense policy" that would destroy America's capability to deter war.

In a speech to the American Legion, Reagan unleashed his harshest attack of the campaign against the Democratic presidential nominee's defense policies.

"It comes down to this," Reagan said. "After eight hard years rebuilding America's strength, do we really want to return to a Disneyland defense policy—with Mickey Mouse treatment of our men and women in uniform; Goofy strategic plans and Donald Duck-like lectures telling us that whatever goes wrong is our own blankety-blank fault? Or do we want to keep advancing on the road of strength and determination and peace and freedom?"

Reagan was often interrupted with applause from a friendly audience. One of the loudest cheers came when he said he wanted to be sure that a Cabinet-level Department of Veterans Affairs was created before he left office.

Without mentioning Dukakis by name, Reagan heaped scorn on Dukakis' pledge to improve U.S. conventional military capability and strengthen the North Atlantic Treaty Organization, saying the policies he advocates "would diminish the role of the very nuclear forces that NATO needs to deter the Soviets." He also said that the conventional defense initiative proposed by Dukakis was "smaller than the one we are already working on."

Quoting from a speech he gave to the Legion while campaigning for the presidency in 1980, Reagan observed that he had promised to rebuild U.S. military strength and then "strive for arms limitation agreements" with the Soviet Union. The president said the Intermediate-Range Nuclear Forces Treaty and Soviet withdrawal from Afghanistan provided tangible evidence of the success of the "peace through strength" policy he had advocated.

"Our reward is that from Afghanistan to the Persian Gulf to southern Africa, we are bringing peace to long-ranging conflicts, even as we frustrate Soviet aims," Reagan said. "In eight years we have not give up one square inch of land to communism. In fact, we have taken some ground back for freedom. And yet today relations between the United States and the Soviet Union are the best they've been in decades."

Aides said the content and timing of Reagan's speech had been coordinated with the campaign of Republican presidential nominee George Bush, who is scheduled to address the Legion Wednesday. Dukakis speaks Thursday.

"The president and vice president share the view that Dukakis is particularly vulnerable on defense issues," said a White House official. The official, who discussed Republican campaign strategy under condition of anonymity, said Reagan will concentrate on "defending the record of the past eight years" and warning that peace could be jeopardized if Dukakis is elected, cuts the defense budget and "returns to the policies of the past."

That was the position taken by Reagan today in a speech that made several implicit comparisons between Dukakis and former President Jimmy Carter. Reagan described the Carter administration's defense policy as "a national calamity" and suggested that Dukakis would repeat the experience.

"We still hear the voices of the liberal ideology of decline and retreat," Reagan said. "Again the hit list for cancellations or delays includes the MX [intercontinental ballistic missile], the B1 [bomber], a new Trident missile, and the surface Navy—this time two carrier battle groups they'd like to see done away with. To that they've added nearly every major new weapons system to become prominent on the scene since the last liberal administration went to its reward, including the Midgetman missile, the Stealth bomber and our Strategic Defense Initiative."

In contrast to his other assertions of foreign policy accomplishment, Reagan acknowledged that he had met with "too little success" in his efforts to persuade Congress "to honor a moral obligation, as well as an obligation to the peace and freedom of our children in this hemisphere, and give strong and consistent aid to the freedom fighters in Nicaragua." He told the Legion, a supporter of contra aid, that "with your help we might still convince Congress to do what's right."

Reagan spoke en route from a vacation in California.

[From the New York Times, Sept. 7, 1988]

#### REAGAN ASSERTS DEMOCRATS WOULD HINDER U.S. DEFENSE

(By Andrew Rosenthal)

LOUISVILLE, Ky., Sept. 6.—President Reagan told the American Legion today that Gov. Michael S. Dukakis and other Democrats would jeopardize national security with a "Disneyland defense policy" that he likened to the programs of President Carter.

"We still hear the voices of the liberal ideology of decline and retreat," Mr. Reagan said, employing an epithet that was used against Mr. Carter.

Mr. Reagan never mentioned Mr. Dukakis by name, nor did he refer directly to Vice President Bush, the Republican Presidential nominee. But his message was clearly political as he lumped Democrats together as "the liberals" and accused them of opposing every weapon system his Administration had worked to build, including some that Mr. Dukakis actually supported, such as the Stealth bomber and a new missile for the Trident submarine.

He questioned democratic devotion to the Western strategic alliance and accused the Democrats of advocating unilateral bans on nuclear testing and on flight testing of missiles, although Mr. Dukakis does not advocate either ban as a unilateral measure.

"After eight hard years rebuilding America's strength," Mr. Reagan said, "do we really want to return to a Disneyland defense policy—with Mickey Mouse treatment of our men and women in uniform; Goofy strategic plans; and Donald Duck-like lectures telling us that whatever goes wrong is our own blankety-blank fault?"

The speech was laced with citations of such American heroes as Gen. George C. Marshall and John K. Kennedy. And it was peppered with negative references to Mr. Carter, seeking to link that favorite Republican target to the current Democratic nominee.

Harking back to the end of the Carter years, Mr. Reagan said, "Again and again

around the world, our predecessors had not shown the slightest grasp of the fundamentals of strategy and national interest."

He said his "final plea" to the American Legion, made at its national convention here, was to "make sure that the nation moves forward in strengthening the foundations of peace and freedom in the years ahead."

#### SAYS HE KEPT PLEDGE

Mr. Reagan gave a strong defense of his Administration's military policy.

"I pledged that our strategic deterrent would be modernized, and it has," Mr. Reagan said, crediting his costly military buildup with leading the Soviet Union to sign the treaty banning medium-range missiles.

He said that eight years ago, he had "pledged not only to rebuild America's power but to be ready to use it, if necessary."

"From Libya to Grenada," Mr. Reagan said, "we have kept that pledge."

At another point, the President said: "In eight years, we have not given up one square inch of land to communism. In fact, we have taken some ground back for freedom. And yet today relations between the United States and the Soviet Union are the best they've been in decades."

#### TRYING TO IMPRESS

Zeroing in on the Democrats, Mr. Reagan said, "We are still fighting the same battle we were fighting when I addressed you eight years ago." He said the Democratic Party "hides behind heroic rhetoric."

"But this liberal agenda is no Superman; it's no Clark Kent; it's Jimmy Olson trying to impress his date," Mr. Reagan said. "The liberals like to talk about judgment and strategy, but where is the judgment and strategy in what they've endorsed?"

He attacked "the liberals" for proposing cuts in research into space-based defense against missiles and for opposing the MX missiles and construction of two new aircraft carrier battle groups.

"They profess their devotion to NATO, but would diminish the role of the very nuclear forces that NATO needs to deter the Soviets," Mr. Reagan said. "Does that make any sense as military strategy?"

Mr. BYRD. I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Pennsylvania.

(The remarks of Mr. HEINZ pertaining to the introduction of legislation are in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### EXTENSION OF MORNING BUSINESS

Mr. HEINZ. Mr. President, I ask unanimous consent to proceed for 2 additional minutes.

Mr. BYRD. Mr. President, will the Senator withhold his request and allow me to make a request?

I believe morning business has expired, has it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I ask unanimous consent that morning business may continue for an additional 10 minutes and that

the Senator from Pennsylvania may have an additional 5 minutes and the Senator from Delaware—how much time?

Mr. ROTH. Could I have 10 minutes?

Mr. BYRD. And that the Senator from Delaware have 10 minutes, and that the period for morning business be extended accordingly.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank the majority leader for his help and kindness.

#### RADON

Mr. HEINZ. Mr. President, many of my colleagues may have seen the lead article in yesterday's New York Times stating that the Government issued a national public health advisory urging that most homes be tested for radon. The Government now recognizes that radon contamination in homes is not just a regional problem, confined to the Reading Prong of Pennsylvania, New Jersey and New York. The EPA survey that led to the health advisory found strong evidence that the threat from cancer-causing radon is much more widespread than originally estimated.

We now understand that when radon gas enters a home and becomes trapped it can reach hazardous levels. And we know that radon poses a substantial threat of lung cancer, second only to cigarette smoking. This new national health advisory will result in many more American homes taking measures, such as the installation of ventilation systems, to mitigate the threat of radon. Such measures can be extremely expensive, running into thousands of dollars, and imposing significant costs on a family budget.

S. 756, the Radon Mitigation Clarification Act, would clarify that a taxpayer can deduct, as medical expenses, necessary home improvements to remove harmful levels of cancer-causing radon gas. The bill would mitigate some of the cost associated with repairing homes, and help families minimize the risk of radon contamination.

With a national health advisory in effect, many more Americans will measure levels of radon in their homes. When harmful levels are found, they will want to take steps to reduce the levels of cancer-causing radon gas. S. 756, the Radon Mitigation Clarification Act provides that costs associated with reducing radon risks be deductible. This is a sensible and timely provision, and when the Finance Committee tax package comes to the floor I will work to include S. 756, and urge that the full Senate agree to provide Americans the means



to respond to what the Government has just recognized as a national health threat.

Mr. President, I ask unanimous consent that a copy of yesterday's New York Times article on radon be printed in the RECORD.

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

[From the New York Times, Sept. 13, 1988]

MAJOR RADON PERIL IS DECLARED BY U.S. IN  
CALL FOR TESTS

By Philip Shabecoff

WASHINGTON, Sept. 12.—Citing new evidence that the threat of cancer-causing radon is more widespread than previously recognized, the Government today issued a national public health advisory urging that most homes be tested for the naturally occurring radioactive gas.

"Radon-induced lung cancer is one of today's most serious public health issues," said Dr. Vernon J. Houk, an Assistant Surgeon General with the Public Health Service.

At a news conference today, Dr. Houk and Lee M. Thomas, Administrator of the Environmental Protection Agency, said that all detached and row homes as well as all apartments from the second floor down should be inspected for radon. If levels exceeded recommended guidelines, they said, remedial action should be taken to lower the amount of radon seeping into homes.

#### ANNOUNCEMENT FOLLOWS SURVEY

Two years ago, officials warned of rising evidence of the hazards of household radon, saying it might be responsible for 5,000 to 20,000 lung cancer deaths per year. But the extent of the problem was highly uncertain. Today's announcement followed a new survey of seven states that found worrisome levels of radon in an unexpected number of houses.

Today, Dr. Houk said the new data support the conclusion that household radon causes as many as 20,000 lung cancer deaths each year. Scientists believe close to 85 percent of the nation's nearly 140,000 annual lung cancer deaths are caused by smoking.

The two officials said they believed that testing for radon levels should be required whenever a house changes hands, a practice already common in some areas where radon is a recognized threat.

#### MEASURES NEEDED IN MANY HOMES

However, some scientists feel the method used by the E.P.A. in its surveys overestimates the extent of the problem, and they also question the need for testing virtually every home for radon.

Radon is an invisible, colorless gas formed when uranium in the soil and rocks decays. The gas decays into radioactive particles that can lodge in the lung and cause lung cancer. Outdoors, radon dissipates and is harmless. But inside some buildings, depending on ventilation, air pressure and other factors, it can accumulate, over years or decades of exposure, it can reach concentrations that raise the risk of lung cancer.

The risk is particularly great among smokers, Dr. Houk said, but he emphasized that it also extends to nonsmokers.

The advisory was issued as the E.P.A. reported on the results of a new survey involving 11,000 homes in seven states. It found that nearly one in three homes tested had levels of radon above those considered a health risk. In a similar survey last year of

10 different states, the agency found one in five homes contained the gas at levels above the Federal standard, at which homeowners are urged to consider renovations to prevent the gas from building up. Those include improving ventilation and sealing openings in houses.

The new data indicated that the radon problem spans most parts of the country. It also found that the gas reaches more serious levels, warranting rapid corrective measures, in a surprisingly large number of homes. Extrapolating from this year's testing, the E.P.A. estimated that among the 15 million homes in the seven states surveyed, about 200,000 had levels that exceeded the current health-protection standards for uranium miners.

For people who spend 75 percent of their time in the house, that level poses a cancer risk equal to smoking more than a pack of cigarettes a day, the E.P.A. estimates.

The survey also provided strong new evidence that an area of high radon levels stretches across North Dakota and Minnesota. The area is similar, the agency said, to the Reading Prong, a geologic formation extending across Pennsylvania, New Jersey and New York, where a high risk of radon in many homes built atop it was discovered several years ago.

The environmental agency's officials said that the new survey results reinforced previous estimates that at least eight million homes throughout the United States were contaminated with radon. Those estimates had been challenged as too high by some scientists.

The states in this year's survey were Arizona, Indiana, Massachusetts, Minnesota, Missouri, North Dakota and Pennsylvania. Last year the survey covered Alabama, Colorado, Connecticut, Kansas, Kentucky, Michigan, Rhode Island, Tennessee, Wisconsin and Wyoming.

#### SURVEY REQUESTED BY STATES

Mr. Thomas of the E.P.A. said that the surveys were done in cooperation with and at the request of the states. He said that more states would be surveyed next year.

Several other states, including New Jersey and New York, have conducted their own household surveys and are not included in the Federal study. New Jersey, according to the environmental agency, measured 6,000 houses in areas known to have high risk of radon and found more than half to exceed the agency's standard. New York, in a survey of 2,400 houses, found 5 percent above the standard. The New York survey involved longer-term testing, which yields lower average contamination levels than shorter term studies involving only a single measurement, as the Federal study did.

Dr. Houk said that radon is the second leading cause of lung cancer after smoking but that the risks from radon were about 15 times higher among smokers than nonsmokers. Tobacco smoke, he said, makes the lungs more susceptible to radon and also attracts radon particles, which are inhaled. "Do not allow smoking in any house that has detectable levels of radon," he advised.

Of nearly 140,000 Americans who die each year from lung cancer, Dr. Houk estimated, about 5,000 were nonsmokers whose cancer could be attributed to radon and 15,000 were smokers who were exposed to radon.

The PRESIDING OFFICER. The Senator from Delaware.

(The remarks of Mr. ROTH pertaining to the introduction of legislation are in today's RECORD under "State-

ments on Introduced Bills and Joint Resolutions.")

#### SENATOR BIBLE PASSES AWAY

Mr. BYRD. Mr. President, with great sadness I have learned that former Senator Alan Bible passed away at 6 p.m., Monday, September 12.

He was truly a good Senator. There was very little, if any "show" to him. Instead, it was work, and it was accomplishments. He served 20 years in the U.S. Senate, from 1954 to 1974. During that time, he served on the Senate Interior and Insular Affairs Committee. As chairman of its Subcommittee on Parks and Recreation, he provided leadership in authorizing the building of more than 60 parks and monuments.

He also served on the Minerals, Materials, and Fuels Subcommittee of that committee, where he promoted what he considered the proper development of our natural resources of gold and silver.

As a member of the Appropriations Subcommittee on Transportation, he helped to develop important Federal highway construction programs.

He served as chairman of the Senate District of Columbia Committee during a crucial stage in the history of this great city. In that position, he introduced 15 separate anticrime bills. But, most important, he took part in developing much of Washington, DC, as we know it today. This includes helping to plan the beltway, the modernization of Pennsylvania Avenue, RFK Stadium, and Dulles Airport.

Mr. President, Senator Bible was a conservative who believed in the great abilities of the Government to build and to create with proper vision and direction. While he was fiscally frugal, he supported the use of Government to improve education.

He also was active in defense and foreign policy, from fighting domestic subversion to supporting international agreements to stop the spread of nuclear proliferation.

No person—age, color or creed—was not deserving of his attention and legislative assistance. He fully supported legislation to help America's senior citizens. He was an advocate of improving the quality of life of the American Indian long before it became popular to take such stands. And then there was what he considered the "little guy"—the small taxpayer. He fought for tax reform early and sponsored taxpayer assistance legislation as chairman of the Select Committee on Small Business.

He retired from the Senate in 1974 because of ill health. Afterward, he taught political science at the University of Nevada until his declining health forced him to give that up.

One of the first jobs of Alan Bible—a man who did so much for his Government and accomplished so much for his Nation—was as an elevator operator in this very building, a job he took to help pay his way through Georgetown Law School.

Upon his retirement from the U.S. Senate, this Chamber and the people of his beloved State of Nevada lost a good Senator. Now, the United States has lost a good man. We will miss him.

Erma and I express our condolences to his wife, Loucile, and his children.

#### SENATOR ALAN BIBLE

Mr. STENNIS. Mr. President, I wish to say a special word in tribute to our late friend and colleague in the Senate who passed away and was one of our most valuable Members, Senator Alan Bible of Nevada. I had many years association with him.

Mr. President, Senator Bible was one of the most valuable Members we had here, in my opinion. He was a good lawyer, with fine knowledge and balance about him with reference to opinions. He was a willing worker. He was a man of sound judgment, I thought, so much so that when I heard he was planning to retire I went to him and tried to advise him about staying on. He told me that he had medical advice to the effect that he would have to retire.

I have had the benefit of his advice and counsel. I called him up on the telephone from then until even recently. I salute him and his family. I extend to the family my great regrets and every word of condolence.

Mr. MOYNIHAN. Mr. President, I know that my colleagues would wish to join me in joining our revered President pro tempore in expressing our great respect for our former colleague, Senator Bible. I knew him when I was in the executive branch. He was exactly the man the Senator from Mississippi described.

I express our condolences to his family and say the Senate was enlarged by his life here.

#### IRAQ'S REPEATED USE OF CHEMICAL WEAPONS

Mr. MITCHELL. Mr. President, I am saddened to once again rise on the Senate floor to condemn Iraq's use of chemical weapons. Iraq has continued to flagrantly violate international law and basic humanitarian principles by using chemical weapons.

It is testimony to the lack of international concern and action that Iraq has dared to repeatedly employ these weapons—weapons that the international community, including Iraq, banned over 50 years.

The 1925 Geneva protocol reflected the world's belief that the effects of chemical agents are so inhumane that

they must not be used even in war. Yet, Iraq has insisted on using these weapons both in its war against Iran and more recently in its campaign to eliminate an entire ethnic group of Iraqi citizens.

These actions constitute a callous and cruel assault on the principles of law and respect for human rights that have been painstakingly codified over many years. Iraq's actions cannot be rationalized, cannot be defended, cannot be dismissed. They must not go uncensured.

The international community must protect the principles on which it has been painstakingly trying to build a more gentle and just world. Iraq's actions threaten to gravely harm the progress slowly won during the past century.

On June 24, the Senate unequivocally stated its view of Iraqi violations of international law. In passing Senate Resolution 408, which I offered, this body unanimously condemned Iraq's use of chemical weapons and urged the administration to apply diplomatic pressure to prevent their future use.

The resolution was enacted after the world witnessed the graphic evidence of Iraq's use of mustard and nerve gas against Kurdish civilians in the Iranian-occupied town of Halabja.

Yet, the March attacks, in which thousands were killed, were part of a larger pattern that had long been ignored. The United Nations has concluded in 1984, 1986, and again in 1987 that Iraq had used chemical weapons against Iran.

The international community did nothing.

The aftermath of the attack on Halabja, documented by camera, made it impossible to ignore Iraq's atrocities. The undeniable evidence challenged the community of nations to act.

It is tragic that the Senate's outrage was not more widely shared, tragic that the opportunity to exert effective international pressure was squandered. While responsibility for the slaughter of innocent civilians lies with Iraq and Iraq alone, the international community failed to act forcefully to dissuade Iraq from further chemical attacks.

The world overlooked Iraq's actions and instead focused its hopes on an end to the Iran-Iraq War. In a cruel irony, the gulf cease-fire offered Iraq an opportunity to turn its chemical arsenal against its own citizens. In what appears to be a campaign of genocide against its 3 million Iraqi Kurds, government forces have reportedly killed thousands of Kurdish people and forced some 50,000 to 100,000 to flee the country.

Where is the international outrage? Where is the will to act against such slaughter?

The Senate has again moved quickly to condemn Iraq and propose a United

States response to the repeated violations of international law. S. 2763, introduced by the distinguished chairman of the Senate Foreign Relations Committee, Mr. PELL, would implement tough economic sanctions against Iraq.

It would end all credit and credit guarantees to Iraq, require the United States to vote against loans to Iraq by international financial institutions and prohibit imports of Iraqi oil. The sanctions would be lifted only if Iraq halts the use of chemical weapons and ends its campaign against the Kurds.

The legislation also requests the administration to bring the issue of Iraqi chemical weapon use before the U.N. Security Council and demand that appropriate and effective measures be taken against Iraq.

I confess my disappointment in the administration's failure to take stronger action against Iraq before thousands of civilians were deliberately killed. The United States had learned of Iraq's violations of the Geneva protocol during the years in which the United States-Iraqi ties grew stronger. Our tilt toward Iraq in the gulf war, symbolized by the conveying of ships belonging to Iraq's allies, should have bought us some leverage, some authority with which to dissuade the Iraqis from employing chemical arms.

Thankfully, President Reagan condemned the attack on Halabja as a "particularly grave violation of international law." Secretary Shultz called the more recent poison gas attacks "unjustifiable and abhorrent," and told Iraq that continued attacks would affect United States-Iraqi relations.

It is time to translate these words into deeds.

It is time to marshal international support for the censure of Iraq.

It is time for nations to restore the legal and moral prohibition against the use of chemical weapons.

I support the administration's effort to prompt the Government of Iraq to declare a policy of opposition to the use of chemical weapons.

But such a statement will not suffice. First of all, it would not be believed. Iraq had long denied using chemical weapons against Iranian forces. The Iraqi Government continues to deny using chemical weapons against the Kurds, despite the statements and physical testimony provided by fleeing refugees and despite the evidence that convinced our State Department that such use had in fact occurred.

Moreover, such a policy statement would not constitute a penalty for killing thousands of civilians with weapons long banned by international agreement.

The Senate has correctly called for the United States to bring this issue before the U.N. Security Council and



demand that effective measures be taken against Iraq. An issue of grave international concern like this one should be boldly addressed in this forum of nations.

At the very least, the crime must be named and Iraq held responsible.

The ominous silence cannot continue.

We must not turn our heads as a government attempts to eliminate an entire segment of its own citizenry.

We must not passively allow the Geneva protocol to also all force and meaning.

We must not squander this opportunity to push for stronger international prohibitions against chemical weapons.

Clearly, the Geneva protocol is flawed. It lacks enforcement mechanisms. It bans only the use of chemical weapons. There is an urgent need to go further—to ban the production, transfer, and stockpiling of these weapons—if we are to effectively prevent their use.

Cheap and easy to manufacture while posing a horrific military threat, chemical arms are the poor man's nuclear bomb. Chemical production technology continues to proliferate, eased across borders by Western commercial chemical exports. As nations rapidly acquire chemical weapons, the risk of their use in the next conflict increases.

The Senate has already expressed its unanimous support for American efforts to achieve an agreement banning the use, production, development, stockpiling, transfer, and acquisition of chemical weapons.

The time to push forward in chemical negotiations is now.

Sadly, the Reagan administration has not demonstrated a seriousness about pursuing a chemical weapons ban, even though chemical weapons pose an increasing threat to the people and environment of this planet.

The need for leadership on this issue is clear.

The next administration must make a strong commitment to pursuing a comprehensive chemical weapons ban. No one pretends that it will be easy. But given political will and good faith negotiating, a chemical weapons treaty is well within reach.

The next administration should set itself a clear goal: attain a chemical weapons agreement within the next few years.

The next administration should make American policy consistent with that goal and discontinue the production of binary chemical weapons on our own soil.

If nothing else, Iraq's egregious use of chemical weapons, including its use against its own citizens, should convince the world of the need to successfully conclude the Geneva negotiations to prohibit the production and stockpiling of chemical weapons.

We must learn from our own human failures. We can act to prevent future deaths by poison gas.

I urge the nations of the world to join together to condemn and punish any country that violates the Geneva protocol banning the use of chemical weapons.

I sincerely hope that this President, the next President, and all national leaders will bring urgency and purpose to the ongoing chemical weapons negotiations. The need for immediate action has never been so clearly and tragically demonstrated as in the graphic deaths of innocent civilians poisoned by their own government.

#### IN HONOR OF A SENATE LEADER

Mr. COHEN. Mr. President, when our distinguished colleague, the senior Senator from West Virginia, steps down as Democratic leader at the end of this Congress, we will be losing a man who has served in Congress for 36 years and who for 12 years has helped steer the Senate through often turbulent waters. ROBERT BYRD has won the admiration and respect of his colleagues on both sides of the aisle for his abilities as a leader, talent as a parliamentarian and skills as a representative of the people of his home State.

The Senator from West Virginia has risen from a humble background as a coal miner's son to national prominence as a legislator and statesman. Through determination, hard work and perseverance—epitomized in his successful nighttime pursuit of a law degree during his first Senate term—ROBERT BYRD has built one of the most successful careers in West Virginia and American politics. The high regard his constituents hold for him is indicated by the fact that he has served longer in his body than has anyone in the history of his State.

Senator BYRD's reverence for the institution of the Senate is well known. His passion for exploring the history of this body and his commitment to preserving its most important traditions reflect a respect for the Senate that has been an inspiration to all of us. I applaud the tireless dedication to guarding the Senate's vital role in American Government that has marked our colleague's stewardship as Democratic leader.

An undisputed master of Senate rules, ROBERT BYRD has skillfully shepherded a long and impressive list of key legislation through this body. He has served faithfully on the Appropriations, Judiciary and Rules Committees. His career in Congress has been marked by successes in almost every area of policy.

Guiding an assembly of 100 individuals who represent diverse interests and concerns is not an easy task. It demands a unique capacity for concilia-

tion, compromise and coalition-building. The retiring Democratic leader has managed to meet these demands while doing his best to keep the Senate above the political fray.

I have enjoyed working with ROBERT BYRD since coming to the Senate in 1979. The dedication and diligence that he has displayed during that period have been clear and consistent. I would like to take this opportunity to congratulate the Democratic leader on his many accomplishments and to wish him the best of luck in the future.

#### CONSTRUING THE NEW FAIR HOUSING ACT

Mr. KENNEDY. Mr. President, yesterday was a special occasion in the history of civil rights in America, as President Reagan signed the Fair Housing Amendments Act of 1988 before a bipartisan group of Senators, Representatives and civil rights leaders at the White House. The signing caps a 25-year effort in Congress to strengthen and expand the scope of our fair housing laws.

Unfortunately, President Reagan used that historic occasion to announce an interpretation of the act that this flatly inconsistent with Congress's understanding of the law. The President suggested that the act should be read as requiring proof of discriminatory intent in order to establish a violation of the fair housing law.

The issue is part of the old bone of contention between Congress and the administration over the so-called intent versus effects test. But the President added a new twist—his attempt to tilt the meaning of the law by declaring his view of what he was signing.

As the principal Senate sponsor of the 1988 act, I can state unequivocally that Congress contemplated no such intent requirement. The act did not materially alter the 1968 Fair Housing Act provisions defining what is required to prove a discriminatory housing practice. All of the Federal courts of appeals that have considered the question have concluded that title VIII should be construed, at least in some instances, to prohibit acts that have discriminatory effects, and that there is no need to prove discriminatory intent.

As University of Kentucky law professor, Robert Schwemm, the author of a leading treatise on the 1968 law, testified before the Senate Constitution Subcommittee on April 9, 1987, 9 of the 12 Federal courts of appeals have addressed the issue, and all 9 have ruled that a showing of a discriminatory effect may be used to establish a violation. Professor Schwemm's testimony contains a de-

tailed analysis of the issue and the court decisions. In enacting the Fair Housing Amendments Act, Congress accepted this consistent judicial interpretation.

It is also well-established that under our constitutional system of separation of powers, Congress has the sole responsibility to enact legislation, and the President may not use a signing statement to attempt to rewrite the law in a manner contrary to the congressional intent.

Just last week, I had the opportunity to discuss this subject with Douglas Kmiec, the Acting Assistant Attorney General in charge of the Office of Legal Counsel in the Department of Justice. At his confirmation hearing, on September 8, 1988, Mr. Kmiec agreed with my view. As he testified:

To the extent that a signing statement would be used to thwart the express terms of [a] statute or was not giving due consideration to the legislative history that gave rise to the words of the statute, it would not be a proper use of that statement.

I then indicated my own view, that

[W]hen the Congress passes a law, it intends it to mean what it says. And the President obviously, if he has a differing view, has the opportunity to veto it and send it back for reconsideration. But if he does not, the congressional interpretation would be the guiding force in terms of interpretation.

Mr. Kmiec responded, "I do not disagree, Senator."

When President Reagan signed the Fair Housing Amendments Act yesterday, he tried to tilt the law toward the "intent" test, contrary to the will of Congress. Courts and others interpreting the act should not give weight to the President's attempt to obtain a signing statement what he could not achieve in the legislation itself.

#### CONCERNING GOVERNOR DUKAKIS' SPEECH: "A STRONG AND SECURE AMERICA"

Mr. NUNN. Mr. President, this morning Governor Dukakis gave an important speech at Georgetown University on the subject of U.S. national security policy.

This speech, entitled "A Strong and Secure America," was a very solid, tough, and sober statement of Governor Dukakis' views on national defense. The range of issues discussed in the speech is impressive and comprehensive. The speech clearly demonstrates Governor Dukakis' commitment to a strong national defense for America.

Governor Dukakis knows what it will take to keep our Nation secure. In the speech, he stated his clear and unequivocal support for key new strategic modernization programs—the Stealth bomber, the Trident II D-5 missile, and the advanced cruise missile. He also made a welcome commitment to work with Congress to find a sensible, affordable way to maintain

the effectiveness of the land-based missile leg of our strategic triad.

On the subject of strategic defense, Governor Dukakis stated his intention to abide by the ABM Treaty, and to insist that the Soviet Union dismantle the Krasnoyarsk radar. He also indicated his support for continued research in the area of strategic defenses to hedge against a Soviet breakout in this area and to allow us to make an informed judgment as to what strategic defense technology can and can't do.

Governor Dukakis underscored the importance of maintaining America's technological superiority in national defense. He cited antisubmarine warfare and the capability to destroy Soviet tanks as two critical areas where we need to direct our best and most innovative technological efforts. He went on to endorse the SSN-21, the Navy's new attack submarine, and the Air Force's new advanced tactical fighter.

One of the things that impressed me most about the speech, Mr. President, was Governor Dukakis' approach to Defense management. We have some serious management problems in the Pentagon today—in the number of programs relative to the size of the Defense budget, for example, and in the way we develop and buy new weapons. Governor Dukakis' speech indicates to me that the Governor understands these problems and is willing to make the long overdue, tough decisions to address them.

Mr. President, I ask unanimous consent that the full text of Governor Dukakis' speech be inserted in the Record. I urge my colleagues to review this speech.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

MICHAEL S. DUKAKIS: A STRONG AND SECURE AMERICA, GEORGETOWN UNIVERSITY, WASHINGTON, DC

I'm running for President to restore respect for American leadership in a changing world.

The kind of respect that Franklin Roosevelt earned when he championed the Four Freedoms and crushed Hitler's armies during World War II.

The kind of respect that John Kennedy earned when he forced the withdrawal of Soviet missiles from Cuba and signed the world's first nuclear test ban agreement.

The kind of respect that America received when it served first as the arsenal and then as the breadbasket for the free world; when American goods reflected the world's highest quality and finest technology; when America put a man on the moon and a Peace Corps in the developing world; when people from around the globe looked to us for leadership and for hope.

I'm running for President because I want to see our country get that kind of respect from our allies, our trading partners, our friends and our adversaries.

But to build and maintain the respect we need, we must meet not just one, not just some, but every challenge to our national

security; the new challenges of tough economic competition and of terrorism and of drugs that I talked about Monday; the challenge posed by the new leaders of the Soviet Union that I discussed yesterday; and the challenge of keeping America militarily strong, which is my subject today.

And military strength begins with the men and women of our armed forces. Our national defense depends on their skills and courage and commitment.

During the 1950's, I spent 16 months as a GI in the small Korean village of Munsan-Ni—not far from the demilitarized zone.

I, and those I served with, didn't ask for much in the way of material comforts. We had an obligation to serve, and we were proud to meet that obligation. All we wanted—and all we expected—was to be well-trained, to have weapons that worked, a mission that we understood, and to know that we were being remembered and supported in the thoughts and prayers of those back home.

That's not a lot to ask for, but for those on the frontline, it makes all the difference in the world.

And that's a lesson I will never forget.

It's a lesson that's especially important in this election year; for the job of defending freedom is not a Republican job. It is not a Democratic job. It's a responsibility we all have as Americans.

George Bush forgot that lesson last month when he persuaded the President to veto the defense bill—over the objections of the Secretary of Defense and the National Security Advisor. Mr. Bush's pollster apparently had more influence than they did.

That bill would have strengthened our military forces, provided needed pay increases to our military personnel, and given our armed forces a real role in the war against drugs.

My friends, we can't play politics with our national security.

We've got to have real leadership. Leadership that will put America's interests first. As President, I'm not going to make decisions that affect the well-being of our servicemen and women on the basis of what some poll tells me; and I'm not going to be looking for guidance on national security issues from J. Danforth Quayle.

Because we need a President who knows how to make tough decisions. A president who will call the shots. Assemble a team. Work with Congress. Replace officials who need to be replaced. And take the heat when things go wrong.

That's what governing is all about. And that's what a Dukakis Administration will be all about.

We're not going to have a laundry list of weapons systems; we're going to have a strategy for keeping America militarily strong.

We'll use force when it's necessary to protect our territory, our citizens or our vital interests; to meet our treaty commitments; and to deter or to respond to terrorist attacks.

We're going to put our defense dollars where our defense needs are greatest; we're going to buy weapons that work; we're going to make certain that the men and women of our armed forces have the equipment, the training and the support they need to defend our country; and we're going to clean up the mess in the Pentagon.

Above all, we're going to keep America strong, because as John Kennedy said 28 years ago, "only when our arms are sufficient beyond doubt can we be certain with-



out doubt that they will never be employed."

Since the development of modern missile technology almost 30 years ago, the defense of our country has depended on strong and survivable nuclear forces. Preventing a nuclear war is—and will remain—the centerpiece of our national security strategy.

We must have—and in a Dukakis Administration we will have—strategic forces that are strong and modern and versatile. Strategic forces that will convince any potential adversary that they have nothing to gain and everything to lose by attacking the United States or our allies and friends. And we must do whatever is necessary through modernization, and, if possible, through arms control, to ensure an effective, credible deterrent.

What does that mean? It means I support, and I intend to go forward as planned with the Trident II sea-based missile to offset the Soviet Union's highly accurate missiles, and with the Stealth bomber and the advanced cruise missile to counter improvements in Soviet air defense.

We've had a lot of nonsense from Mr. Bush on the subject of national defense in recent weeks. The fact is that the Trident II program began during the last Democratic Administration; and so did the Stealth. The fact is that the B-1 bomber cost \$27 billion, and there is now a serious question as to whether it can do the most important job it was designed to do. The fact is that the Republicans promised in 1980 to make our land-based missiles invulnerable and today, after another \$25 billion and 8 years of Republican mismanagement, our ICBM's are more vulnerable than they were in 1980.

It's time for an end to Republican smoke and mirrors. The MX, with its Pearl Harbor style basing mode, isn't the answer. In those rail barns, it's a sitting duck.

The strategic concept of the Midgetman is sound, but I question the value of spending 40 or 50 billion dollars for 500 additional land-based missile warheads—at three times the cost of the same number of new submarine-based warheads. So I'm going to work with the Congress to find a sensible, affordable way to maintain the effectiveness of the land-based missile leg of the triad.

But just as we must modernize to maintain an effective deterrent, so we must negotiate to improve the effectiveness of the deterrent we have. And we negotiate, not for the sake of negotiating, but because it is in the interest of our national security to do so. We negotiate to limit the ability of the Soviet Union to continue building new and more dangerous weapons, the ability to keep multiplying its arsenal of nuclear warheads, the ability to steadily increase the cost and the danger of the race for nuclear weapons.

The INF agreement was a good beginning, but it was only a beginning. Unlike Ronald Reagan, George Bush doesn't seem to understand that. He wants to put START negotiations on the back burner. I say we should build on the progress that Mr. Reagan and Mr. Gorbachev have made. I say it is in our interest to forge an agreement—a mutual and balanced and verifiable agreement—that will make deep cuts in Soviet Strategic arms.

Even then, we must do more; because during the past eight years, the Soviets have deployed more than 3,000 new strategic warheads. Even if START is signed and ratified, the Soviets will have as many or more nuclear warheads targeted on the United States as they did the day the Republicans took office.

As President, I will challenge the Soviet Union to move beyond the limits of START to stop the development of new and more dangerous weapons that threaten world stability and our security; to stop developing fast new submarine missiles that can attack our bombers before they get off the ground; to eliminate all of their SS-18s, the most dangerous and deadly missile on the earth today. And I will challenge the Soviet Union—as has every American President since Dwight Eisenhower, except one—to stop the testing of nuclear weapons.

And what about Star Wars? My friends, if we're going to keep America strong: if we're going to increase, rather than undermine, the stability of the nuclear balance; if we're going to make our defense dollars count, we've got to stop pouring billions and billions into this program and do some hard thinking about what we're trying to achieve.

There are those who would like to rip up the ABM Treaty; to extend the arms race into space; to undermine the effectiveness of the deterrent we have by pursuing a fantastically complicated scheme whose purpose seems to change every few months, and whose feasibility has been questioned by virtually the entire scientific community.

I have a different view. I will protect American security, not by scrapping the ABM Treaty, but by insisting that the Soviets live up to it, and that they dismantle the Krasnoyarsk radar. And I will request the funds to maintain a program of anti-ballistic missile research. Such a program will allow us to respond if the Soviets violate their obligations under the ABM Treaty, and it will allow us to make an informed judgment as to what the technology can and cannot do.

And what about George Bush on the subject of Star Wars? Well one of the reasons Mr. Bush is so reluctant to debate me is that he's so busy debating himself. One day he wants to speed up SDI. The next day he does not. But even he admits that if we continue to spend billions on it, we will have to cut somewhere else.

He won't tell you where those cuts will come. But the fact is that they're already cutting back on people; they're already cutting back on tanks; they're already cutting back on helicopters; they're already cutting back on ships.

My friends, we pay a price not just in numbers, but in security, when we do what Mr. Bush wants us to do; to continue buying without planning; to continue writing blank checks to the Pentagon without setting priorities or making tough choices; to continue business as usual, instead of managing the Pentagon to get a dollar's worth of security for every defense dollar spent.

Today, only 55% of our Army Reserves are combat ready. Our backlog of essential maintenance in the Army and Air Force is greater now than it was when this Administration took office. If we went to war tomorrow, we would have a shortage of 7,000 doctors and 31,000 nurses in the military. Maybe the Republicans aren't worried about that; maybe the work that military medics do isn't very glamorous, but to the GI and the sailor and the aviator and the Marine, nothing could be more important.

In Central Europe, the most serious danger we face today is the two to one Warsaw Pact advantage in modern tanks. Yet the Republicans have already cut our tank production and want to slash it almost in half again next year. And after nearly 8 years in office, they have still failed to deploy an infantry anti-tank missile that can take out modern Soviet tanks. A recent

government report estimated that up to 85% of the infantry soldiers using today's anti-tank weapons to stop a Soviet tank attack in Europe would be dead after firing a single round! And that round would bounce off the Soviet tank.

Lloyd Bentsen and I are going to keep tank production up and we're going to invest in the new technologies we'll need to stop Soviet tanks.

Today, NATO's defense absolutely depends on air power—on the technological edge we get from advanced fighters like the F-15 and F-16. But the Soviets aren't standing still. They're copying our technology, even stealing it—and trying to catch up. And what is the Administration doing? They've cut back so much on maintenance that a senior Air Force official said recently that at the end of this year, "We are going to see airplanes without engines." And our very best pilots—the "top guns" of tomorrow—are leaving the military in record numbers. Mr. Bush convinced the President to veto the bill that had new bonuses for our pilots aimed at keeping them in. My friends, what kind of judgment is that?

We can do better than that. In my Administration, we're going to build on our technological lead with the Advanced Tactical Fighter to stay one jump ahead in the air battle. On time. On budget. And we're going to be sure that we have the money so that that fighter has engines, too. And pilots.

Today, the greatest threat to our naval fleet is from Soviet submarines. We need to invest in the best possible anti-submarine warfare capability in order to diminish that threat. But the Administration has let our lead slip, while Soviet submarines are becoming quieter and more deadly with each passing year.

My friends we can do better than that. As President, I'll challenge our scientists and engineers to recapture our commanding position in anti-submarine warfare, on which NATO's strategy depends. And we'll build the SSN-21 *Sea Wolf*, our first new attack submarine in 15 years, as quickly as possible. We may not match Soviet numbers, but we must have superior technology.

Finally, if we're going to meet our treaty commitments; if we're going to meet our responsibilities around the world; if we're going to maintain America's status as the number one maritime power on the face of the globe; we've got to have a fully capable carrier fleet. And that means having enough planes to operate off those carriers; it means having modern munitions and well-trained sailors and aviators who have the opportunity to fly in time of peace and the aircraft their lives, and our freedom, will depend on in time of war.

Today, as Senator Nunn has pointed out, the "navy lacks the combat aircraft to fill its carrier decks in wartime because we built more carriers than we have aircraft to go with them." One-third of our heavy A-6 bombers are grounded or restricted because we don't have the money to fix the cracks in their wings. And this year, we decommissioned 16 frigates because we couldn't afford to operate them.

We've got to have leadership in the Pentagon that will take charge of our defense policy. And we've got to have a President who will keep faith with the men and women we ask to defend freedom and liberty around the world.

We have to keep faith with them because recruiting and retaining skilled people is the single most important element of any strategy for maintaining a strong defense.

We have to keep faith with our service personnel by giving them fair pay, decent benefits, and good health care for themselves and for their families. And today, military pay is further behind comparable civilian wages than it was when this Administration took office.

Finally, we have to keep faith with the men and women of our armed forces by making sure that every dollar we spend for defense goes for defense; not for weapons that can't do the job they were designed to do and not to line the pockets of some dishonest contractor or wheeler-dealer around the beltway in Washington.

Defense fraud isn't just another crime. When somebody cuts corners on quality, that's not petty theft, that's grand larceny. When somebody skims off profits for himself that should be going to strengthen our national defense, that's intolerable. When we have eight years of mismanagement, eight years of everything from \$400 hammers to a \$4 billion dollar DIVAD defense system that couldn't hit the broad side of a barn, it's not time for another study or commission, it's time for a new Commander in Chief.

George Bush and his running mate have opposed every single effort aimed at Pentagon reform. They opposed the creation of an independent Inspector General to investigate defense fraud. They opposed establishing an organization in the Pentagon to test weapons before we buy them. They opposed putting restrictions on the revolving door between the Pentagon and defense industry. And they opposed giving our field commanders more authority over what types of weapons we buy.

In fact, their idea of a triad seems to be waste, duplication and fraud.

Now, there are those who say that we can't change the way we buy our military weapons and supplies. The problem's too big they say. It's out of control. We don't know how to do it right.

Well, I don't buy that at all.

We have thousands of dedicated and professional people in the Pentagon, in our armed services, and in the private sector. They are looking for leadership that is competent; leadership that understands the problems our servicemen and women have to face every day and every week; leadership that cares about getting the weapons we need; when we need them; at a price we can afford.

In a Dukakis Administration, we're not going to ignore the recommendations made by the Packard Commission; we're going to implement them. We're going to increase competition. We're going to insist on warranties and independent testing wherever possible.

We're going to select experienced people to manage our military programs. And we're going to give them the authority they need, reward them when things go well, and hold them accountable when they do not.

You know, there was nothing heroic about the job my country asked me to do more than thirty years ago in South Korea. My memories are not of combat missions, but of guard duty, cold nights, army food—and it was pretty good!—and it was pretty good!—friendships made, officers saluted, and thoughts of my family back home.

But I also remember the pride I felt to be an American soldier on duty for America in a land in which the hunger for democracy was beginning to grow, and in which the strength of America had been felt on freedom's behalf.

My friends, that pride has only grown stronger with the passage of time.

And I'm running for President because I want to lead an America that leads the world; an America that does not settle for second-place or second-best.

An America that loves peace, but knows the cost of freedom.

An America that has not wavered from the pledge that another son of Massachusetts made 28 years ago, a pledge to "pay any price, bear any burden, meet any hardship, support any friend, (and) oppose any foe to assure the survival and the success of liberty."

My friends, today, 200 years after the election of our first President; let us dedicate ourselves anew to the dream of those who founded our country; firm in our purpose; true to our principles; confident that the best America is not behind us; the best America is yet to come.

#### GULFSTREAM AEROSPACE CORP.

Mr. NUNN. Mr. President, I want to take a few moments to bring to the attention of my colleagues two recent accomplishments of an outstanding Georgia manufacturing company—the Gulfstream Aerospace Corp.

Twice in the last 14 months, Gulfstream Aerospace and its energetic and dynamic chief executive officer, Mr. Allen Paulson, have made aviation history by setting world circumnavigation records in the company's Gulfstream IV jet.

Gulfstream Aerospace is a true example of the free enterprise system at work. In 1978 the company was acquired by Mr. Paulson, who is still serving his company as chairman and CEO, and in one brief decade it has become one of the world's premier business jet aircraft manufacturers.

Gulfstream Aerospace has grown from a facility on Savannah's International Airport employing less than 2,000 people to a manufacturing system employing over 5,000 persons in the States of Georgia, Oklahoma, and California. The company draws on suppliers in 26 other States, and its aircraft are powered by Rolls Royce TAY engines manufactured in the United Kingdom.

The company's latest version of its Gulfstream jet, the 16 to 19 passenger Gulfstream IV, has, since its certification by the Federal Aviation Administration in April 1987, made aerospace history.

Surrounded by military, business, and commercial aircraft of some 50 nations, the Gulfstream IV departed on June 12, 1987, from the 37th Salon International de Paris. It was enroute to a world speed record circumnavigating the Earth on a continuous flight westbound against prevailing winds.

The new aircraft, less than 100 hours off the Savannah production lines, was flown by the company's CEO. On this record setting flight, the Gulfstream IV set a speed record of 503.91 mph, which included four refueling stops, during its 22,886.45 mile journey. Facing headwinds occasionally in excess of 130 mph, the flight returned to the Paris Salon—landing on the runway used by Charles Lindbergh 60 years earlier—after 45 hours, 25 minutes and 20 seconds of elapsed time. This flight set two around the world speed records—one in the unlimited weight category, another in the 55,000 to 77,000 pound weight class. It also created 22 enroute city-to-city records.

The other four crew members of the Gulfstream were all from Georgia. There were three cocaptains: Mr. Jefferson Bailey, Mr. John Salamankas, and Mr. K.C. Edgecomb. Mr. C.B. Allen was the aircraft crew chief. The flight records were certified by an on-board observer from the National Aeronautic Association, Mr. Everett Longworthy, the association's executive vice president. The records have since been certified by the Federation Aeronautique Internationale in Paris.

As a result of this historic westbound flight and his lifetime of dedication to aviation, Mr. Paulson was awarded the prestigious Wright Brothers Memorial Trophy on December 11, 1987.

Then in January of this year a four-engine Boeing 747-SP, an aircraft many times the size and weight of a Gulfstream IV, was flown on an impressive two stop flight around the world, eastbound, eclipsing a record set by a Gulfstream III, 4 years earlier. The principals of that 747 flight challenged any other aircraft of this generation to beat their speed around the world, a challenge quickly accepted by the makers of the Georgia-built Gulfstream IV. Launched from Houston, TX, on February 26, 1988, a Gulfstream IV with "Pursuit of Perfection" emblazoned on its sides began its race with the clock and the larger 747.

Exactly 50 years earlier, Howard Hughes' flight around the world required 3 days and 19 hours. The Gulfstream, again captained by Mr. Paulson, set a new speed record of 637.71 mph. This aerospace achievement covered 23,047.476 miles requiring four refueling stops with a total elapsed time of only 36 hours, 08 minutes and 34 seconds.

The 747 record was broken by the smaller business aircraft by 45 minutes, 41 seconds. Nine city-to-city speed records were also set including one from the island of Maui in the State of Hawaii to Houston, TX, at a speed 693.96 mph—3,784 miles in 6 hours 16 minutes, or nearly 700 miles per hour.

The Georgian crew of cocaptains for this flight consisted of Mr. Bob Smyth, Mr. John Salamankas, and Mr. Jefferson Bailey. Again, the sanctioned flight was observed and moni-



tored by Mr. Everett Longworthy of the National Aeronautics Association.

Mr. President, I want to congratulate Mr. Paulson and all of the employees of Gulfstream Aerospace—not just for these two recordbreaking flights but also for the high standard of excellence which Gulfstream has come to represent in the aircraft manufacturing industry.

#### DEFICITS, DEBT AND DEPENDENCE

Mr. BYRD. Mr. President, today we got better news, but still disturbing news, on the trade front. The \$9.5 billion trade deficit for July was \$3 billion lower than the \$12.5 billion figure for June. Exports were up and imports were down almost across the board. Better than last month, Mr. President. But even if we maintain the July pace for the rest of the year, we will have a trade deficit approaching \$130 billion. It is a little like finding that your town is still going to be hit by Hurricane Gilbert but that the winds have dropped to only 150 miles an hour.

Furthermore, Mr. President, yesterday, the Commerce Department released the current account figures for the second 3 months of 1988. The Nation is \$33 billion further in debt than it was just 3 months ago; \$70 billion further in debt than it was at the beginning of the year. At this rate, by year end we will have an external debt in excess of one-half a trillion dollars. Just 5 years ago, America had a surplus.

The new figures show that we are still going into hock only a little more slowly than we did 3 months ago.

Trade deficits and external debts are bad enough, Mr. President. But this month's statistics contained even more troubling news. For the first time since 1958, we had a deficit in the services account. For the most part, the service deficit reflects the mounting payments to foreign investors. From now on, Mr. President, we will be borrowing to pay for our trade deficit and borrowing to pay the interest on what we borrowed before. Any company that begins to borrow to pay interest on previous borrowing is on a slippery financial slope. It needs a change in direction.

Mr. President, America has not been without her accomplishments over the past 8 years. But when it comes to foreign economic policy, I am saddened by the past and worried about the future. Year after year, our trade policy amounted to little more than nostalgia for the past and a few nostrums for the future. Our country sallied forth like an aging Don Quixote ready to do battle with yesterday's windmills.

Where hard-nosed trade negotiators complained of monopolies and warned about mercantilists, the President

talked confidently of the magic of the marketplace.

What we have had, Mr. President, is a policy of trade deficits, foreign debt, and growing industrial dependence.

The need for change is becoming increasingly evident. For example, the Department of Defense recently issued a report that is critical of the administration's own trade policies. Instead of playing the passive patsy, the Pentagon is calling for a hard look at the longer term competitiveness of America's manufacturing base. Instead of making short-term judgments about buying parts and components, the Pentagon report notes that dependence on foreign technologies is inherently risky.

There is not a single Member of the Senate who does not appreciate the virtues of economic competition. It can act as a spur to innovation, lower costs for the consumer, and contribute to overall economic growth. But with the active involvement of foreign governments and foreign cartels, there are times when international markets bear little resemblance to the text book model.

It has become fashionable, Mr. President, to talk about the inevitable decline of the United States. To look only at our weaknesses and not at our potential. There is no necessary decline in our future. There are challenges, not insurmountable problems. But this administration has never understood how the global economy has changed, how great the competitive challenge has become. The Pentagon report, Mr. President, is another urgent warning that the next administration will have a major task ahead of it to repair the neglect in our competitive standing.

Mr. President, I yield the floor.

#### AIDS UPDATE

Mr. CRANSTON. Mr. President, according to the September 5, 1988, AIDS Weekly Surveillance Report, 72,645 Americans have been diagnosed with AIDS; 40,989 Americans have died from AIDS; and 31,656 Americans are currently living with AIDS.

Mr. President, 2,437 more Americans have developed AIDS and 1,369 Americans have died from this horrible disease since I last noted these statistics 1 month ago.

Mr. President, I am taking this opportunity to bring a matter of great urgency to the attention of my colleagues. On October 1, funding to help pay for the AIDS drug AZT will run out. As many Senators may recall, \$30 million was appropriated in the Fiscal Year 1987 Supplemental Appropriations Act on an emergency basis in order that individuals who were medically eligible for AZT would not be precluded from receiving the drug

simply because they could not afford to pay for it.

AZT costs approximately \$8,000 a year. That is a lot of money for individuals who—even if they are working—face large medical bills and expenses resulting from AIDS. In some States, impoverished AIDS patients can receive AZT through Medicaid, but that coverage is not nationwide. The \$30 million appropriation helped cover the cost of the drug for all people who, without that assistance, would be denied the only life-prolonging drug available.

The company that produces AZT, Burroughs Wellcome, originally charged \$10,000 a year for AZT. Late last year, it reduced the price to \$8,000. Although it appeared initially that there would be many AIDS drugs on the market and that Burroughs Wellcome would have a limited time to recoup its investment, that has not been the case. In fact, AZT has remained virtually the only treatment available. I would also note that the NIH played a significant role in the development and testing of AZT.

Mr. President, I do not quarrel with Burroughs Wellcome or any other company's efforts to make a profit. And, I do not criticize the company for acting on its shareholders' behalf. That is the free market system. But, I also believe that the private sector, particularly the pharmaceutical industry, has a moral responsibility as well to help improve the health and well-being of people who are disadvantaged, sick, or disabled. Moreover, as an August 30 New York Times editorial titled "Forcing Poverty on AIDS Patients" pointed out, "AZT is a special case".

Mr. President, the AIDS epidemic is testing the very fabric of our society like no other disease before. Conquering AIDS is going to require all of us to extend a helping hand—to show compassion.

I have recently become aware of practices by some pharmaceutical and biotechnology companies to provide high-cost drugs free of charge to low-income individuals not covered by government or private health insurance. This is a truly compassionate practice and I applaud those actions.

Although such a policy may not be completely feasible with AZT, I encourage Burroughs Wellcome to take any appropriate steps to carry on this new and compassionate trend in the pharmaceutical industry. In so doing, the company would truly be living up to its mission to relieve suffering and improving health.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

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

[From the New York Times, Aug. 30, 1988]

# FORCING POVERTY ON AIDS PATIENTS

A year's supply of AZT, the only drug with some efficacy against the AIDS virus, costs a patient \$8,000. A Federal grant to the states is available for those who can't afford it. But the grant runs out in September, leaving uninsured patients with a choice. They can stop taking AZT, or spend themselves into poverty, until their assets are worth less than \$3,100, so as to qualify for Medicaid.

The Federal grant has little chance of being renewed, and states are not rushing to make good the shortfall. That focuses attention on the immediate cause of the crisis, the price of AZT, said to be the highest ever charged for a drug. The cost is personally devastating to those who must spend down to poverty, but the burden of paying for AZT in the end is borne by everyone through higher taxes and insurance costs.

Burroughs Wellcome, the manufacturer, says AZT is unusually expensive to make and that it has "committed more than \$80 million" to developing the drug. But some of the \$80 million is contracts for future supplies, not money actually spent. In any case, the cost of bringing the average drug to market is far higher—\$125 million.

Burroughs did have a good reason for charging a high initial price, but the reason is no longer valid. When AZT was introduced, in March 1987, other and maybe better AIDS drugs were expected imminently. The company feared it would have limited time to earn back its investment. But the competitors have not materialized even now, and the market for AZT is booming. Last December Burroughs cut the price so as to reduce the annual cost to patients from \$10,000 to \$8,000.

Does \$8,000 still represent an unreasonable profit? Only Burroughs knows, since it refuses to discuss costs. But some general principles apply. One is that drug companies should be allowed every incentive to develop effective drugs, especially for AIDS. Burroughs took a chance on AZT; why shouldn't its reward be to charge whatever the market will bear?

Perhaps because of another principle, that profit should be related to risk. Burroughs did not bear the full risk of developing AZT from scratch. The chemical was first synthesized in 1964 by Jerome Horwitz, a researcher supported by the National Cancer Institute. His hope was that AZT would work against cancer.

Its effectiveness against the AIDS virus was shown in 1985 by the National Cancer Institute's Samuel Broder. He developed a special screening system and tested AZT at Burroughs' request. But by the time the Government thought of applying for a patent on the drug it had invented and tested, it found Burroughs had done so first.

AZT is still the only drug that offers clear benefit to people with AIDS. Burroughs has earned a generous profit for its contribution. It took the risk of paying for manufacture and clinical testing at a time when AZT's privileged position seemed likely to be short-lived. But that's a considerably lesser risk than the patent system is designed to reward, that of developing a drug independently.

A drug company should not usually have to justify its profit, but AZT is a special case. The Government made major contributions to its development. Burroughs Wellcome is a subsidiary of a charitable trust whose founder, Sir Henry Wellcome, directed that earnings be used for research to im-

prove the physical condition of mankind. He would surely be horrified to learn that people were being forced to sell their homes and property in order to meet his company's price for a life-prolonging drug.

## REMARKS OF GOVERNOR DUKAKIS CONCERNING FOREIGN POLICY—CHICAGO, IL

Mr. PELL. Mr. President, Michael Dukakis yesterday gave an excellent speech on foreign policy. He is pungent hard hitting, far reaching and hazy on reason, not rhetoric. I know that I found myself in full agreement with its thoughts and main points and believe it would be of interest to my colleagues. For that reason I ask unanimous consent that Governor Dukakis' speech be entered in the RECORD following my remarks.

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

MICHAEL S. DUKAKIS—SEIZING THE INITIATIVE UNITED STATES-SOVIET RELATIONS IN THE 1990's, CHICAGO COUNCIL ON FOREIGN RELATIONS, CHICAGO, IL

Yesterday, in Philadelphia, I spoke of the need to restore respect for American leadership in a changing world.

I spoke about the need to confront new challenges—the new challenges of tough international economic competition, terrorism and drugs. And that's not all. Western Europe is headed for full economic integration in 1992. Mexico, our neighbor to the south, faces new threats to its economic and political stability that we ignore at our peril. Strong international efforts are proceeding to end the Soviet occupation of Afghanistan, the South African occupation of Namibia, and long, brutal wars in trouble spots around the world.

But nowhere have the prospects for change been more dramatic; and nowhere are the challenges of change more complex than in our relationship with the Soviet Union.

It was more than 150 years ago that de Tocqueville foresaw a world dominated by two great and very different continental powers.

"The conquests of the United States," he said would "be gained by the plowshare; those of the Russians by the sword . . . the principle instrument of the former is freedom; of the latter servitude. Their starting point is different and their courses are not the same; yet each of them seems marked out by the will of Heaven to sway the destinies of half the globe."

History has done well by de Tocqueville, but even he did not foresee the day when two nuclear superpowers would face each other across the globe; the day when the relationship between the U.S. and Russia would determine not just the kind of future we will have on this planet, but whether we will have a future at all.

As de Tocqueville predicted, the Soviet Union has often pursued its goals down through the years, not with plowshares, but with swords; respecting the rights neither of other nations, nor of its own people. The symbols of tragedy and betrayal echo through the decades like the tolling of funeral bells; Berlin. Hungary. Prague. Afghanistan. Poland. The Gulag. And Sakharovs and Sharnskys and Solzhenitsyns by the tens of thousands.

We have fundamental differences with the Soviet Union. Differences of culture. Of history. Of interest. And of values. And these cannot be overlooked even as we think about Ronald Reagan and Mr. Gorbachev walking arm in arm through Red Square.

All Americans understand that.

The difference is that some of us do not, and will not, accept the tragedies of the past as a prophecy for the future.

The difference is that some of us do not, and will not, accept the tactics of our adversaries as an excuse for abandoning our own principles and values.

The difference is that some of us do not fear change. We welcome it. And we want to test it.

The Republican ticket does not have a strategy for testing the limits of what is called "new thinking" in the Soviet Union; Lloyd Bentsen and I do. We want to challenge the Soviet leaders, test their intentions, and explore the opportunities that may exist to build for our children a more stable and less dangerous world.

They are content to leave the initiative on arms control and regional disputes and the spread of advanced weapons systems around the world to Mr. Gorbachev; we are not.

They want to turn back the clock; to suggest that nothing has changed; to pretend that Soviet leadership today is as tired and as paralyzed and as heavy-handed as it was only a half dozen years ago. President Reagan understands the dangers of that course; and so do I.

Just as it would be blind to believe that nothing has changed in the Soviet Union; it is a mistake to suggest that everything has changed. Mr. Gorbachev is a Leninist. He has not abandoned Soviet goals, but rather seeks to advance those goals through different means.

Where his predecessors were ponderous in diplomacy, Mr. Gorbachev is nimble; where they were predictable, he has a facility for surprise; where they were orthodox, he has used the pulpit of our open western press to place before the world an image of a Soviet Union on the verge of far-reaching change at home, and in world affairs.

To deal successfully with Gorbachev, the next President must be tough, he must be realistic, he must have good judgment, and he must be committed to building a strong defense.

As President, I will provide that leadership. George Bush has been around Washington for a long time; but if he couldn't stand up to the Ayatollah or say "no" to Noriega, how will he measure up to Gorbachev?

And if he truly believes that J. Danforth Quayle is qualified to be one heartbeat away from the Presidency, how can we trust his judgment when America's future is on the line?

Three times since 1945, men who served as Vice President have been called to the Presidency, called to the leadership of the Free World. In each case, these men have had to engage in tough bargaining with the Soviet leader.

First Harry Truman at Potsdam, then Lyndon Johnson at Glassboro, then Gerald Ford at Vladivostok.

Dan Quayle is no Gerald Ford. He's no Lyndon Johnson. And he sure ain't Harry Truman. Can we stake our future on the hope that he is a match for Mikhail Gorbachev?

Today, Mr. Gorbachev presides over a nation that has seen its rate of economic growth fall in every five year plan since the



1950's. A nation where alcoholism and poor health care have chopped six years off the life span of the average male; where infant mortality is up and the birth rate is down; and where it takes the average worker four days to earn enough to buy a pair of jeans; and more than a week to buy a pair of shoes.

Mr. Gorbachev wants to make his country part of the international economic community. He wants access to western resources and technology. He wants expanded economic contact with the West and he wants to join international economic institutions. What is he prepared to do in return? Will we allow him to pursue that strategy unchallenged, or will we have a strategy of our own to protect American interests and translate Soviet economic weakness into improved Soviet behavior in world affairs.

The next President must understand the obstacles that exist to an improved relationship with the Soviet Union. But he must not be put off by them. We must act, not react, if we are to regain and maintain the initiative in world affairs. Yes, it would be naive to take Gorbachev at his word; but it would be dangerous to allow his words to go unanswered and untested in the court of public opinion around the globe.

We must maintain our military strength; increase our economic strength; preserve our alliances; and reaffirm our willingness to respond to force with force in defense of our vital interests around the world.

But maintaining the status quo is not enough.

We must challenge Soviet leaders as John Kennedy did twenty-eight years ago; "remembering on both sides that civility is not a sign of weakness, and sincerity is always subject to proof . . . let both sides explore what problems unite us . . . and if a beachhead of cooperation may push back the jungle of suspicion, let both sides join in creating a new endeavor. . . ."

Let us, in that spirit, meet the challenges of a new generation of Soviet leaders.

Let us challenge them to join with us to meet the responsibilities that as world leaders we both share—to work together to preserve our environment; combat world hunger; reduce infant mortality; and conquer AIDS.

Let us challenge them to build on the progress made already by Mr. Reagan and Mr. Gorbachev—to make deep cuts in the number of nuclear arms and reduce the risk of nuclear war. I supported the President on the INF Treaty. I hope he will make further progress on arms control between now and next January.

And let us challenge the Soviet leaders to match their new words of peace with new actions that will advance the cause of peace.

Let us, in the first months of the next Administration, seize the initiative in the relationship with the Soviet Union; and let us measure the prospects for change by observing the progress towards change—progress towards reduced tensions in Europe and in trouble spots around the world; progress in controlling the spread of dangerous military technologies; progress towards the promise of dignity and respect for all people in all societies in every part of this earth.

Mr. Gorbachev must understand that if there is to be a fundamental change in the relationship of his country with the western world; there must first be a fundamental change in the balance of forces in central Europe.

The Soviet leader has called for a "reasonable sufficiency" of forces. "In the Europe-

an building" he says, "every apartment is entitled to protect itself against burglars, but only in such a way as not to demolish the next door apartment."

And yet today, more than half a million Soviet troops are trained, equipped and regularly exercised to conduct a surprise attack on Western Europe. The West does not threaten the East; and yet the threat posed by the massed military forces of the Warsaw Pact threatens not just to destroy the European building, but the planetary neighborhood, as well.

As President, I and our NATO allies will challenge Mr. Gorbachev to eliminate the Soviet advantage in tanks and artillery, not just by de-mobilizing those weapons, but by destroying them. We will challenge him to draw his troops back into the Ukraine; and, working together exchange observers at key military bases and transportation points so that we can be confident that Soviet commitments are being matched by Soviet deeds.

Second, I will challenge Mr. Gorbachev to work with America and other responsible members of the world community to cool, not fuel, regional conflicts. To heed the plea of President Arias and cease the shipment of arms to the government of Nicaragua. To stop supporting terrorists in the Middle East. And to take steps to resolve the greatest and most prolonged regional conflict in the world today—in Eastern Europe.

When we think of regional conflicts, we usually think of guerrilla warfare, stinger missiles, jungles and deserts. But we must constantly remind the Soviets of the regional conflict they created in Eastern Europe; a conflict that has resulted in totalitarian rule over six proud nations for more than 40 years.

We have heard the propaganda, but we know the facts. The nations of Eastern Europe are police states, not worker states. They are lands, to borrow Orwell's phrase, "where the fields are plowed by hand and books are written by machine."

My friends, the people of Eastern Europe want what we want; what all people want. The right to express their views openly; to choose their leaders freely; to worship their God openly and without fear. They want to breathe the sweet air of freedom and no Berlin Wall, no censor, no prison warden, no dictator can extinguish that desire from the human heart.

We know that the Soviet Union cannot ignore the security concerns that history has embedded in the very fiber of their society. But free trade unions do not endanger security; political parties do not endanger security; free elections do not endanger security; and the right to worship God can be a threat to no civilized power. There is no reason why the spirit of Nagy and Dubcek and Walesa cannot triumph. There is no reason why the Soviets cannot admit the tragedy at Katyn.

Mr. Gorbachev must understand that, in Eastern Europe, it is the status quo that creates instability. Repression has failed. Soviet domination of Eastern Europe is depriving its own society of the economic and diplomatic benefits that full acceptance in the world community would provide.

Third, I will challenge Soviet leaders to work with America and with other world powers to prevent the spread of nuclear and chemical weapons and the missiles that carry them.

The world faces few graver threats than the spread of nuclear arms. Ending the proliferation of those weapons will be a top pri-

ority in my Administration. I will urge Mr. Gorbachev to join me in making sure that all nations sign and strictly abide by the Nuclear Non-Proliferation Treaty.

Today, our ally Israel is threatened, and stability throughout the Middle East is endangered by the spread of advanced technology that will allow nations as irresponsible and aggressive as Syria, Iraq and Iran to launch missiles armed with deadly chemical—or even nuclear—weapons. So far we have heard nothing from Mr. Bush on the subject.

As President, I will work with our allies to persuade Mr. Gorbachev that if he wants to join the international economic community, he must first get out of the business of exporting these deadly weapons to volatile regions of the world.

Fourth, I will challenge the Soviet Union to live up to Mr. Gorbachev's stated commitment to "reject terrorism . . . and cooperate with other nations in eradicating this evil."

It's no secret that, despite what Mr. Gorbachev says, the Soviet Union continues to this day to supply arms to Qadhafi, Syria and the PLO.

We can't end the deep divisions that separate nation from nation and people from people overnight, but we can resolve—and all civilized nations should resolve—that terrorist acts, committed not to defend a society, but to sow fear among the innocent and suffering among the defenseless, cannot be rationalized, cannot be excused, and cannot be tolerated on this globe.

The Soviet Union must meet this standard. And in a Dukakis Administration, bearing in mind the tragic mistakes of the last few years, so will the United States.

Fifth, I will challenge the Soviet Union to live up to its obligations under the Helsinki Accords—to let Jews and other minorities emigrate if they wish, and let them worship freely and pass on their heritage to their children if they stay.

It is not enough to say that human rights are an internal matter. It is not enough to pretend that rights exist when they do not exist. It is not enough to dole out a few visas and allow the exercise of limited and long-delayed freedoms by a few; for human rights are not bargaining chips; they are not pawns in some diplomatic game; they are the very foundation of peace, itself. For peace can only come through understanding; and understanding cannot come when basic principles of human dignity and opportunity are denied.

My friends, the challenges we will make to the Soviet Union: to draw back from confrontation in central Europe; to bring down the walls of repression in Eastern Europe; to control the spread of dangerous weapons systems; to fight terrorism; and to respect human rights; are offered not as hurdles to impede progress towards peace; rather, they are the rungs of a ladder which must be scaled if a true and lasting peace is to be maintained.

Taken together, these challenges reflect not a set of standards that the Soviet Union alone must meet; they demand a pattern of behavior by which all nations may fairly be judged.

We, in America, should stand ready to respond to progress with progress; to meet the Soviet Union at the bargaining table instead of the battlefield; to hold out the prospect of better economic ties; to open the door to closer cooperation on the environment; and to end human suffering.

But we must be ready to meet stubbornness with determination; deception with the truth; and aggression with the full power of a strong and united democratic alliance.

My friends, I am running for President because I want to lead an America that leads the world; an America that does not settle for second-place or second-best.

An America that loves peace, but knows the cost of freedom.

An America that has not wavered from the pledge that another son of Massachusetts made 28 years ago, a pledge to "pay any price, bear any burden, meet any hardship, support any friends, (and) oppose any foe to assure the survival and success of liberty."

My friend, this year, 200 years after the election of our first President; let us dedicate ourselves anew to the dream of those who founded our country; firm in our purpose; true to our principles; confident that the best America is not behind us; the best America is yet to come.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business to be conducted? If not, morning business is closed.

#### REMEDIES FOR THE U.S. TEXTILE AND APPAREL INDUSTRIES

The PRESIDING OFFICER. The clerk will report the pending business of the Senate.

The assistant legislative clerk read as follows:

A bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports.

The Senate resumed consideration of the bill.

Pending:

Hollings Amendment No. 2945, in the nature of a substitute.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, to further the understanding of our colleagues, I appreciate this opportunity this morning to elaborate on the nature of the competition that we face. We have heard that we lack technical skills, that we lack capital, that we are not productive, that we do not think positively.

I have heard it before, but never more eloquently than by our distinguished colleague from Oregon in his think-positive philosophy of "I think I can." He has made a number of valid points, but valid at a different time and in a different economy. The truth of the matter, Mr. President, is that since World War II the economy of the United States and the economy of the entire world have changed dramatically. And that change has been led by the government-sponsored commercial offensive of our colleagues in

Japan, which must be respected and, in certain instances, admired.

It is remarkable to take a country, devastated in World War II, with no economy and no industrial production, and bring it in a 43-year period from number zero to number one. That seemingly should intrigue U.S. Senators and Congressmen. But it is not a phenomenon that can be understood through political bumper stickers and campaign slogans and 20-second sound bites. It requires study in depth.

The Japanese like to explain their ascendancy as the product of their work ethic and unique culture. And assuredly they are a factor, but not the determining factor when it comes to economics and market share and competition and productivity and those kinds of things.

From the ashes of total defeat in 1945, Mr. President, the Japanese have followed a brilliant game plan. While Americans were talking about anti-trust and consumerism and free markets, the Japanese cleverly nodded but rejected our course. For one, they rejected heavy borrowing. They insisted on building up their own capital.

My colleague, the Senator from Oregon, pointed out that at one time in our history we borrowed from the British. Today we borrow from Japan, tens of billions of dollars a year. And we pay billions in interest to Japan to finance the extravagance and profligacy of this Government. We will not pay our bills. We just keep borrowing.

In fact, I am rather intrigued by the Senator's consumer arguments, his sticking up for so-called consumer rights. I had never heard of any Government organized for the consumers, except perhaps Rome. And we know what happened when Rome set off on the path of bread and circuses and spending and profligacy and extravagance and waste. It led directly to the decline and fall of Rome.

And now today we are embarked on a similar course. Our national debt has trebled during the Reagan years. They call it an economic miracle. I call it an economic binge. There is no question about it. If you infuse up to \$200 billion in deficits each year into the economy, you are bound to create some kind of jobs somewhere, even if only at the banks where they scramble to count the money and loan it out and issue credit cards and so on. So we have had a \$200 billion binge—unheard of in previous administrations.

I will never forget that, as chairman of the Budget Committee, I went to President Carter after his defeat in November 1980. I said, "Mr. President, you are going to leave a bigger deficit than what you inherited from President Ford."

He said, "That can't be."

I said, "Oh, yes."

He said, "What was the Ford deficit?"

I said, "\$66 billion."

He said, "Well, what is the projected deficit?"

I said, "\$75 billion."

"We can't let that happen," he said.

"There it is, \$9 billion more than Ford's biggest deficit."

The President of the United States said, "That has got to be stopped. We cannot allow that to happen."

I said, "I agree, Mr. President, but leave it to me to get the votes from our liberal friends. Just let me handle it. Tell that OMB crowd to stay back at the White House."

And I went, thereafter, to our friends McGovern, from South Dakota; Magnuson, from Washington; Frank Church, from Idaho; John Culver, from Iowa; Birch Bayh, of Indiana; and Gaylord Nelson, from Wisconsin, and I said, "You folks have got to help. We can't let stand a record of a deficit of \$75 billion."

We must cut the spending levels that have already been appropriated. We called it a fancy word, "reconciliation." It was the first reconciliation bill, on December 5, 1980, that we passed into law.

How far we have come from that innocent time. We were worried, then, about increasing the deficit \$9 billion. We flat lie about that kind of money today; we obscure it in smoke and mirrors. One agency, OMB, says the deficit is going to be \$150 billion; CBO says no, \$170 billion. We know it is going to be nearer the \$170 billion. But we just juggle the figures. We say, well, let us use OMB figures for our distinguished Parliamentarian to make a ruling on. We will not let the CBO figures be used. We prefer OMB, because OMB lets us cook the books and continue the binge.

So now we have trebled the debt in 7½ years. It is up past \$2.5 trillion. We have a budget deficit and a trade deficit that together will approach \$400 billion at the end of the year.

We are just going up, up, up and away on a binge.

If we would try to sober up and ask questions and become curious, we would learn that Japan instituted fiscal discipline and savings and they went right to the heart of the matter. They instituted a postal savings plan to encourage massive personal savings.

In the United States of America, we practiced the same discipline when we grew up during the Depression days. We saved every nickel we could get our hands on. Today we spend every nickel we can get our hands on because it does not pay to save.

The Japanese, in contrast, have fostered their postal savings plan to raise capital from the people. They did not have credit cards.

Can you imagine a society without credit cards? The Japanese call us immoral. Maybe it is immorality, but I



think the explanation is elsewhere. The answer is in incentives. If it pays to save, if the incentive is there, human nature responds and people save. In Japan, you are not rewarded for interest on your investments. You do not deduct the interest costs on any kind of loans. Instead of interest free home loans on the home, in Korea you must buy a couple of thousand dollars in bonds when you buy that home, which is money to go back into the kitty as available capital for others to buy a home.

So, in Japan and Korea, the rewards are given to conservation, to saving. They seek to build up capital and avoid becoming indebted.

Then they take that capital and allocate it to foster exporting industries. There is the choke point. I heard a little while ago our distinguished friend from Delaware, Senator ROTH, talking about how the power of the purse is the power to control. Well that is the choke point.

If you have an agency like the Ministry of International Trade and Industry to allocate that capital, then you can say we are going to build this and not build that; we are going to put our money in this and not put our money in that. The Government orchestrates the economy to win in world markets. That is the nature of our competition.

It is not, if you please, Mr. President, "free market, free market, and you have to think positively." That is what they teach freshman in economics 101. They teach freshman that badly run businesses go broke. People take risk. Some go broke. Others succeed. That is the way it is supposed to work in a free market. But, internationally, we are not in a free market. We try to disregard and turn a blind eye to exactly what is going on.

Why? In a 43-year period, Japan has grown richer than we are. Per capita income in Japan is \$19,000 per year. The per capita income of America is only \$18,600. There, the victor has now been overcome by the vanquished. They are richer than you and I are. Their system has worked. Their governments control that capital, and, in allocating it, favor certain exporting industries. And they provide the tax incentives, and they provide leasing companies, and they control the domestic market. They do not allow a price war. There is no free competition in the domestic Japanese market. Then they pressure all sectors of the economy to buy Japanese. Compare that to the United States, where we just heard an amendment on the floor that declared it was wrong for us to even buy American for our defense.

There was a finding by President John F. Kennedy 28 years ago that the textile industry is second only to steel in importance to our national security. Obviously, we cannot go to war in Japanese uniforms and Gucci shoes.

Where are we going to get the woolens? We have very few woolen uniform producers right now. We would be in a crisis condition if we went to war.

We had better be careful where we choose to make wars; pick out Vietnams and other warm places. Do not pick out any cold places because we just do not have the woolen uniforms at this time.

But now over \$10 billion, Mr. President, goes for foreign purchases in our defense bill: \$10 billion. Can you imagine that? \$10 billion to boost foreign economies. And we are sitting around talking about jobs and jobs and jobs, and how to create them in America.

The press supports this folly. Ask them the last time they let the press listen in on Japan's Ministry of International Trade and Industry. Their MITI meetings at the Iron and Steel Building every Monday morning, are a cabal. They meet and decide the national commercial policies, decide the allocations for the development bank, for the various commercial banks, who gets the credit, at what rate, and so on.

Incidentally, capital, I have seen estimates that it is anywhere from three times easier to seven times easier to obtain capital in Japan than in the United States. The Japanese investor has a 7 to 1 advantage over the American investor. They are so rich and omnipresent that they are buying up everything in sight.

In contrast, the United States handles trade through some 28 departments and agencies. Harry Truman, the little haberdasher from Independence, MO, said at the end of World War II, "The State Department crowd says one thing ought to be the policy, and about that time in comes the Defense Department and says, 'No, no, you have to do this.' Our intelligence sources say, 'No, this is the case.'" He said: "I can't make heads or tails, but I am going to put them all down in the cellar into one National Security Council and let them hammer it out downstairs, bring it up to me and give me two or three alternatives and I can make a decision."

The result was the Marshall plan and the Truman doctrine and the North Atlantic Treaty Organization—you really have some farsighted foreign policy thanks to a little man who had common sense.

I see nothing but confusion in our Government on trade. You have the Department of State, then you get the Department of the Treasury with its customs and duties and tariffs, but, no, the Department of Commerce is supposed to set the policy. I am chairman of the Commerce Committee. I have never been able to get hold of our policy. Every time you try to set one, they run it over to the Finance Committee. They want to control it over there.

The Department of Agriculture also gets into the act. There is a Special Trade Representative running around trying to sell tobacco and oranges while we are importing orange juice from Brazil.

All I have ever wanted to do to bring about a little competition; to put America on an equal footing. We could not duplicate Japan, Inc., as they call it, and would not want to duplicate Japan, Inc. But we must wake up and sober up to the nature of the challenge before us.

The Japanese have an antitrust law, but it is not enforced and, on the contrary, they actually encourage cartels. They permit price discrimination and price-setting. They subsidize their exports and use arbitrary inspection practices to block imports.

If you try to sell a Ford automobile, it takes 4 months on the docks of Japan to get it through inspection. They will change the battery cable requirements and get a different specification because they do not want a surge of auto imports. General Motors and Ford used to dominate the Japanese market. But we have been shouldered out of their market.

They strictly control their market and put in arbitrary standards for imports. You have to meet Japanese standards. They put a twist and a turn on it in a sinister fashion. Any time we try to send the same product back, they make a slight change.

If we think it is tough to get a Ford automobile into Tokyo, it takes 1 year to get a Toyota or Japanese car into Paris, France. They still are inspecting the 1988 models. If you want to buy a 1988 Toyota in France, you cannot buy until January 1, 1989.

In contrast, the Toyotas are delivered to the dock in Portland, OR, and of a thousand cars that arrive, we inspect about 10. They put them on flatbeds and railroads and bring them across to New Orleans and Charleston, SC. They get immediate service and quick passage.

The fact of the matter is that there is a version of MITI in one form or another in all of these Pacific Rim countries. They have seen the Japanese. They have adopted the model. They all work together as a society.

Now the European Economic Community is moving in the same direction. Economics is forcing the European Economic Community to move in the same direction. It is nice to hear Americans babble about free markets, but the EEC is moving into a unified market by 1992. The Economist magazine deplores the fact that the EEC is expanding specifications and standards, that they were putting in EEC—content bills, tariffs and nontariff barriers. The Economist writes in dismay, "Oh, where are we headed?" Well, I can give you the answer. The EEC is

headed to compete. The EEC is doing what is necessary in order to bring about competition and perhaps, as I have indicated, increase the free market. They realize that, temporarily, you have to raise a barrier to remove a barrier. You have to make barrier—removal in the economic interest of the trading rival.

So, Mr. President, the natural forces of economic competition have not only moved Taiwan, Korea, Hong Kong, Thailand, Indonesia, the Pacific Rim countries into the same competitive mode, but they are moving the European Economic Community, to the dismay of the London Economist and perhaps many others. We will be the lone remaining nation sitting on our laurels, fretting that we may start a trade war. Heavens above, the trade war has been going on now for 30 to 40 years in a cleverly-directed market assault. We are up in the grandstands caterwauling. We are like children on the floor of this Senate, babbling about protectionism.

Now, Mr. President, you and I take the oath to preserve, protect and defend. The President of the United States under the rotunda is sworn to preserve, protect and defend, but once you move 100 yards north to the floor of the Senate and if you say you are going to protect, people go ape, saying "Oh, my heavens. We are glad to see a fellow who is honest and willing to say he is a protectionist, but it is an abominable sin."

The fundamental principle of government is to protect. We have the Army to protect us from our enemies without, the FBI to protect us from our enemies within. We have Social Security to protect us from old age, unemployment compensation to protect us from the ravages of the loss of a job. We have environmental laws to protect us in the air we breathe, the water we drink. We have industrial laws to assure safe machinery and a safe working place. All of these laws are to protect. That is what you and I swear to do. But if you try to protect your industrial backbone, your standard of living, it is taboo. It is heresy. The fellow must be crazy.

Why, Heaven's above, I heard the lecture about Hamilton wanting mercantilism. The point is that Hamilton was against America's remaining a trade colony of Britain. He advocated our independence and, as a result, working with Jefferson and Madison, the very first bill to pass this Congress July 4, 1789, was a tariff bill, up to 50 percent duties on steel and 70 other articles. Hamilton told them back in Great Britain, "We are not going to remain your colony." They listened to that comparative advantage nonsense. Britain said, "You in the United States trade with us what you produce best with your comparative advantage. There will be no tariffs, no barriers.

Free trade. Free trade. And we in turn, in merry old England, will trade back with you what we produce best with our comparative advantage. There will be no tariffs, no barriers; free trade, free trade." They are still advocating this nonsense in the London Economist. They must have written for King George.

Well, here we go. Hamilton said in his report on manufacturers, "Bug off"—two words to describe that scholarly treatise. He said, "We are not going to remain a colony. If we did that, we would never produce any finished goods. We could not build up our economy, our defenses," and so they passed that first bill to protect U.S. industry. So I said yes, Hamilton, Jefferson, Madison, the Founding Fathers were protectionist. Put me down behind them. Add Lincoln when he built the transcontinental railroad, built the steel mills. They said, "Buy it from England." Lincoln said, "No. We are going to make the steel in this country. We will have not only the railroads but the mills." Franklin Roosevelt, with a developed economy that went into the Depression, was a protectionist. FDR put in the Agricultural Adjustment Act with price supports to protect our agriculture.

So I join protectionist Roosevelt and protectionist Ike. Eisenhower in 1955 put in import quotas for oil. Old protectionist Eisenhower and old protectionist Roosevelt, Madison, Jefferson, Hamilton and Lincoln. I join the crowd because they knew how to acquit their fundamental responsibility as public servants in Washington.

The newspaper editorialists claim I have been bought by the textile industry's paltry contributions. That is the pot calling the kettle black. I got the Washington Post's annual statement; it shows that they get 89.3 percent of their revenue from the retailers. Have you ever seen an editorial favoring a textile bill? They favor the retailers. I never heard of a textile manufacturer advertising in any of those newspapers. They know where their bread is buttered.

We must protect our economy, because systematically the Japanese have moved in. They have gone down the line with autos, steel, banking, textiles. There is no mystery to it.

We politicians on the floor of the Congress are the ones who ought to get off the golf course. We are the ones who set the policy. We are the ones that set the standard of living.

Yesterday, I listed the protected items—Social Security, unemployment, minimum wage, clean air, clean water, parental leave, day care centers, plant closing—fine, let us have it all and put it all in. That adds to the cost of production.

I was listening this morning to a news item about a gentleman working in an auto plant in Korea. He works 11

hours a day, 6 days a week, and he makes \$10,000 a year, less than poverty wages in America. Do we want to work 11 hours? He works that 11 hours, 6 days a week, and he is happy. He said he would like to get more. That is the ethic.

I described the dowry where the Korean women come in at age 18 through 22. They build up their dowry at \$1.35 an hour working 6 days a week, 10 hours a day. Then they go back to the village to get married. Do we want to say that that is what we expect the ladies of America to do? There are no health insurance costs there. The average age is around 24, 25 and the plants have thousands of these charming young ladies. But the average age of the competitive plant that is outprocessing them in South Carolina is around 50 years of age.

The U.S. textile industry is mechanized and automated. Our industry has invested \$18.6 billion since 1980, over \$2 billion a year. We have had a 4.6-percent increase in productivity each year every year for 10 years as compared to that national average of 2.7. We are the most productive textile industry in the world. But why should we continue to invest if we have reached that 55 percent import saturation level?

I saw it happen in the shoe industry. They told the shoe industry at the 50 percent mark—about 52 percent in 1982—"Don't worry, compete, beef up, modernize. You are not competitive; you are not productive." Well, with all of that, even though they proved their case of injury twice before the International Trade Commission, they turned them down at the political level. The White House overruled the findings. The shoe people used the law that you and I have put on the books. So now 84 percent of the shoes around here in this Chamber, and 84 percent of all the shoes in the United States are imported. And so the question is do we want the textile industry to go that route?

My colleague from Rhode Island [Mr. CHAFFEE] comes in, and he says there is full employment in the shoe industry, full employment in the shoe industry. Nonsense. They only have 16 percent of the shoes being produced in this country. That is why I said in the next war we will have to go in our Guccis. We cannot produce the shoes here. We will have Japanese uniforms, and Gucci shoes.

So the question before the Congress on the textile bill is not something just for South Carolina because we have garment workers not only in South Carolina but in downtown New York, and in downtown Chicago, IL. This thing affects the cotton farmers, and the wool growers who stand to go out of business. They do not sell any wool overseas, but they sell it for wool



production right here in the United States. That is why the farm States now are beginning to see the light, because they have a diminishing international market to sustain them.

The European Economic Community used to import wheat. Last year, they exported 20 percent of the world's wheat thanks to a 25-percent subsidy.

Similarly, the People's Republic of China used to import our corn. But last June, a year ago, in Long Beach, CA, they landed corn at 18 cents a bushel less than Nebraska corn. So the Chinese, a billion of them now, are increasing their productivity. They have incentives.

That was the dramatic impression on this Senator when I was there in 1986, comparing it to 1976, when they were destitute. They had loudspeakers in the field, and they were conducting reeducation. It was deplorable, living in mud huts. Now they have picket fences around, with little plots, and not only produce for the State, but also for themselves. The women in the little communities are making textiles, and they are moving into the market in Hong Kong. We are really competing with the People's Republic of China, not directly but indirectly, through Hong Kong.

So, how do we survive and how do we remain as a world power? We cannot, unless we can produce steel, rubber, glass, aluminum, rolling stock. You cannot deliver your wheat on an optic fiber.

These fuzzies in the East, at Harvard, say, "High tech, high tech, high tech." They do not understand. You can make all the high technology you want in Indonesia. This year, Indonesia's revenue will not come from exports of oil but from industrially produced items.

Peugeot has a factory on the Ivory Coast; automobiles in Africa; semiconductors in Brazil; high technology in Mexico.

We sit here smugly, like we are smart, Caucasians with a lot of brains and research, and we are the only ones who can produce. Baloney. They are producing Boeing airplanes in Japan. The Boeing airplanes made in Washington are made with Communist Chinese parts.

There you are. The People's Republic of China is winning out. We are helping the Russians. We are helping the People's Republic of China. We are helping the Bulgarians. We are helping the Romanians. We are helping the Communist states where, they say, we cannot even determine a subsidy. They are dumping their products right here, and their textiles particularly, into the United States.

So there it is. Are we going to protect our market share? The answer is yes. What part? I say give them all

they have. Give them a majority of our market.

Who ever came before a political body and hoped to survive politically by giving away half his industry? That is how desperate I am, because I have been to the top of the mountain and I have seen the other side. If we go to 84 percent import penetration, then we have lost a basic industry that my friend Jack Kennedy found was vital to our national security.

I do not want to go that way. No sane man—as we call them in the law, "no reasonably sane and prudent man"—is going to invest in the textile industry. There are many other opportunities for investment.

So, while they have been investing \$2 billion a year since 1980, they have quit, and, yes, they do fall behind. Instead of being the most productive, they would become unproductive, and the foreign producer takes over.

We politicians do not understand the results of the laws we pass. We are the ones who set up all these things that require child care. Of 17 million jobs, 50 percent are part time.

All this is in your back yard—in Illinois, Michigan, Indiana, Detroit. I have seen it because I have campaigned through here. Automobiles are assembled with Japanese parts, by a robot, and they call them American cars. The whole guts and sinews of that industry have gone overseas.

I have to listen to Iacocca, with his American Flag: "Get a better buy, get a better buy." Now he is going to Korea, because I got him the money, as chairman of State-Justice-Commerce—we got him the money in the appropriations bill at Christmastime, and we have not seen him since. Why? Because he has gotten off the golf course. I do not belittle him. I admire him. He has been competitive, and competition requires him to go down now to Mexico, like some of the industries Governor Hollings brought in.

Until 6 or 7 years ago I never had an industry leave South Carolina; never heard of it. I got Elgin Watch Co., in Illinois; brought them down to South Carolina to make watches. I renamed the town of Blainey, and it is now Elgin. We call it Elgin, SC. They had an increase in productivity of 75 percent. They said they are leaving for Korea and they do not make Elgin watches in America today.

Retraining Act. For what? If I am a businessman and you have a 50-year-old or 55-year-old employee and he has lost his job, why should I take him on? I am going to take on a 25-year-old. I do not want to start paying out health costs. If I hire the 50-year-old, I have health costs and retirement to pay. I look at my balance sheet, and the auditor says: "Hollings, you're goofy. Get out of the company."

It is not that 50-year-olds are not productive. They are productive. You

can retrain them all you want. We do not need politicians to say they are for national defense and then not protect the industrial backbone of our Nation. They are the ones, by cracky, who are causing my problem.

The State of South Carolina has the best retraining system in the United States, and we pay for it, and we do not need any Federal money. But you have to have the jobs, and the jobs are not there. So they do go to lesser jobs. The Joint Economic Committee has reported how they are resorting to lesser jobs, and now we find out that of the 17 million new jobs since 1980, 50 percent are part time.

Industry has gotten so competitive that they say, "We can make more profits by not taking on any kind of promotional responsibilities, any kind of benefit responsibilities, any kind of retirement and pension responsibilities. So we hire them part time."

Yet the politician on the floor says, "You've got to be more positive"—"Norman Vincent Packwood." "You've got to think positively. That's what you need to do."

We had 584,000 businesses that "thought they could" and went bankrupt last year, and we will have 610,000 more this year. We have 274 new bankruptcy judges and they have an amendment over there to put on another 10—284 bankruptcy judges.

So as a result of our policy or lack of a trade policy, Heaven's above, I am spending \$211 million just to go broke.

I have the biggest court system you have ever seen. Every time I meet with my subcommittee on appropriations I have more crime, more policemen, more drugs, more bankruptcy judges and they say "Oh, we have agreed at the summit agreement that we are not going to have problems next year. We are going to have the same problems in 1989 that we had in 1988. So your problems will not increase and you do not have to take care of them."

That is how the politicians think and they all get the good government award. "Now we made a very sane, sensible, fine agreement. We showed constraint. We are going to handle this deficit and so there will not be any provisions for those new problems."

Well, that is why you do not have poor people in the State hospitals.

I went up to New Hampshire, as well as Maine, and what we did on a Saturday afternoon in Rochester was feed the hungry. There are 11 churches in Rochester, NH. So my wife and I went to feed the hungry, and 90 percent of the hungry were mentally ill. They belong in an institution. You know how they got them out on the street? They refused to approve at the governmental level in Concord, NH, beds for hospitals. So they just put out an executive order—no beds and no hospi-

tals, and they have "solved" their health problem.

So I go around and meet them in the bread lines on Saturday afternoon.

It is a tragedy in this country.

And you have no Space Program. You are barely cutting and pasting to keep it alive. You have no Housing Program. They are sleeping on the grates as you and I go home. You have no Education Program. They have cut education. They tried to abolish the Department. Now they all want to be the "education president."

And you can go right on down the list.

(Mr. SHELBY assumed the chair.)

Mr. HOLLINGS. Admiral Yost of the Coast Guard said "You cut me \$100 million. I am tying up ships. I will have less enforcement. I will have fewer drug cases. I will have less search and rescue from the Coast Guard this year because you have cut me."

Little Steve Forbes comes in with Radio Free Europe, "I've got to close down Radio Free Europe in Munich in August because I have run out of money. You cut me 40 million bucks."

Oh, were we not sensible?

He said, "I fired the people. It cost me more in Germany, incidentally, to fire them than to keep them on the payroll."

So he kept them and we did not get the supplemental bill like people of common sense. We did not get the emergency supplemental bill. We got the dire emergency supplemental bill and gave ourselves a good government award then for this cost to Government. We are really brave. We took the courage, and it is a dire emergency supplemental bill.

This thing is all Hollywood East, all "applesauce" as Will Rogers said, all politics. It has gone to pot, and Senators will not come and they will not debate.

They wanted the time. We could have voted on textiles right now. But they wanted to debate. But they do not want to hear the great issue.

Of course, the first problem we have, Mr. President, is the problem you and I heard on our trip to the Far East in August.

If I talked to the Foreign Minister, and I did, in Korea, after a short conversation all he said, "Senator, what about the economy back in the United States?"

I said, "I am glad to hear you are worried about it. I have been worried but I cannot get a majority to worry about it."

I went over to the Blue House with President Ro, and I met with him the year before his election and we became friends, and before long I had over a 1 hour and 15 minute talk with President Ro, and he looked at me and said, "Well, Senator, what about that deficit in your economy?"

They are worried. They know this thing cannot go on. I mean reasonable, sane, and prudent people have to wake up.

John F. Kennedy wrote the book "While England Slept." We can write a book now "While America Slept," here almost 50 years later, fast asleep with respect to the trade competition, call it war or whatever else.

Down in Indonesia, in Thailand, in Taiwan, the leaders wondered about our economy. The people in the Pacific rim are realists and they are not getting by with anything. They know that somehow or the other it has to be reconciled because in this country we do not know about industrial competition.

You cannot have any political power or military power unless you have economic power, and this cannot continue. That is the big worry.

I yield the floor.

#### UNANIMOUS CONSENT AGREEMENT—NOMINATION OF NICHOLAS F. BRADY

Mr. BYRD. Mr. President, with the Republican leader on the floor at this moment, I ask unanimous consent that today at 1 o'clock the Senate go into executive session to consider the nomination of Nicholas F. Brady, of New Jersey, to be Secretary of the Treasury; that there be a 30-minute time limitation on the debate to be equally divided between Mr. MOYNIHAN and Mr. PACKWOOD; that the vote begin at 1:30 p.m. on the nomination and it be a 1-hour vote, to close at 2:30 p.m.; and that upon the disposition of the nomination the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader, and I thank all Senators.

Mr. President, I ask unanimous consent, as in executive session, for the yeas and nays on the nomination.

The PRESIDING OFFICER. The yeas and nays are requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I again thank all Senators.

#### REMEDIES FOR THE U.S. TEXTILE AND APPAREL INDUSTRIES

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I commend the distinguished Senator from South Carolina for the leader-

ship and the foresight, the tenacity, and the persuasiveness with which he has pursued this legislation. It has been a pleasure, indeed an honor to have worked with him on it, and to have observed daily his commitment to the cause of the hundreds of thousands of Americans who earn their living in textile and footwear industries. They all, and I believe we all, owe a great debt of gratitude to the distinguished Senator from South Carolina, and I just want him to know that we are very grateful for all that he has done on the legislation and we look forward to its enactment.

Mr. HOLLINGS. I thank my distinguished colleague.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished colleague from Maine. He is a leader on environmental issues, and now he is the voice of our conscience. I also commend Senator MITCHELL on his leadership with respect to the shoe industry in our Nation and the leadership he has given in the adoption of our textile-footwear bill.

Mr. President, I refer my colleagues to the September 3, 1980's Economist lead editorial. In the education of a politician, I find this a very valuable document.

I ask unanimous consent that the editorial in September 3, 1980's Economist entitled "The Shape of Europe's Trade" be printed in the RECORD at this point.

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

[From the Economist, Sept. 3, 1988]

#### THE SHAPE OF EUROPE'S TRADE

From within their newly armoured siegetowers, the Americans watch Europe's masterbuilders at work. Surely they are building a fortress? No, say the Europeans, by 1992 we will have created a great market whose wide avenues will be open to fair-minded traders from every land. The watchers are not convinced. They note that Europe's masons hold their plans close to their chests. They watch brick after protectionist brick—an anti-dumping suit and a reciprocity clause here, a local-content rule there—being added to Europe's agricultural earthworks. Soon the taunts fly as never before, with both sides prophesying war.

The medieval image would be quaint if it were not so sad. Much of the world is in the middle of a heartening phase of enthusiasm for unfettered markets. The greatest pretext for trade complaints—Japan's relentless dependence on exports for economic growth—has been suddenly and substantially diminished. Governments have started a round of GATT talks that are supposed to get modern protectionist tricks under control and extend the benefits of undistorted, multilateral trade to services and agriculture. Now a transatlantic shouting-match threatens to ruin them.

The American watchers are not blameless. Whatever the stated beliefs of President Reagan, his administration has put many



more trade restrictions in place than President Carter's did. Its use of anti-dumping actions and countervailing duties against supposed subsidies has, while declining, been far heavier than that by Europe. The latest American trade bill is not the monster that was once feared, but it still threatens copious "protectionism-by-investigation", akin to a trader having his premises constantly searched by the authorities. It became law because President Reagan let a lot of protectionist nonsense slip through while venting his spleen on a relatively benign clause to do with factory closures.

#### FROM THE FOLKS WHO GAVE YOU THE CAP

But nor can the American watchers be blamed for doubting Europe's intentions as it builds an internal market of American scale. The main existing pan-European construction—the common agricultural policy—relies on massive trade-distortion to support the incomes of Europe's farmers. It has become such a part of Europe's political landscape that it is virtually non-negotiable in the GATT talks on farm trade. The risk is that project 1992 could end up creating a common industrial policy, as ugly as its country cousin. Individual EEC countries now realise that they will have to make traumatic concessions of sovereignty to put the mighty market together.

It is tempting for the European Commission to overcome their reluctance with "transitional" European protectionism. Later, the commission will explain that these measures must, alas, remain permanent because of the weight of political interest vested in them.

Implicit in such buying-off is the preference given to producers over consumers in the new Europe. Big European companies were early champions of the idea of a unified market; they felt they needed wider, less red-taped horizons than their individual home markets could provide. The world market? No: a big sheltered European market was what they had in mind, and that is what they are now demanding. Consumers, who want to buy the best and the cheapest from anywhere in the world, have had too small a say.

Too many Europeans already take it as read that access to their sheltered market by foreign companies will be a privilege that has to be paid for. Mr. Willy de Clercq, the European trade commissioner, has made it clear that in demanding such reciprocity "we will have to pursue a symmetry not so much in the legal equivalence of conditions of access to markets, but rather an equivalence in their economic effects". In other words, the playing field will not be considered level until the same number of goals are being scored at each end.

The reciprocity argument threatens to crop up whenever the EEC negotiates a directive (European law) that is vital to 1992. The draft directive allowing banks to spread unhindered across the EEC will not, as it stands, extend this right to foreign banks unless all EEC countries are happy that they can open banks in the foreign country in question. The directive calling for Europe-wide openness in government purchasing could exclude foreign-owned companies based in Europe, unless their home governments buy from foreigners too.

Officials at the Brussels commission explain, sincerely, that they do not want to create an internal market that is more protectionist than its component parts. Their aim is only to find a happy Euro-compromise between the levels of national protection that already exist, whether it be for im-

ports of Japanese cars or of American television programmes. The danger is that such compromise leads to a levelling up of the ramparts rather than a levelling down. The banking reciprocity clause, for instance, is at first sight no more than a clause borrowed from Britain's Banking Act; but it will be a much nastier weapon when wielded by countries that have no liberal tradition of trade in financial services.

The main problem is that the new Europe's trade policy is being improvised as a footnote to the creation of the 1992 internal market. The commission says that a statement of guiding principles would be a hostage to fortune, and extremely difficult to agree upon: it is hard enough putting the bricks in place one by one. But the improvising leaves America, Japan and others with no option but constant mistrust, vigilance and complaint, lest trade abuses peculiar to this or that country today become part of European law tomorrow. Since these critics are themselves no trading angels, their complaints prompt counter-accusations, and the rocks fly.

The unhappy paradox is that project 1992 is, in European terms, a grand gesture of deregulation and economic liberalism, while to the world outside it appears a fortress blocking the way towards improvements in the rules of world trade. One of the aims of this GATT round is to stop the spread of "voluntary restraint agreements" (VRAs) between countries by encouraging use of a modified GATT safeguard clause. That aim will misfire if the EEC replaces national VRAs, like those limiting imports of Japanese cars, with some sort of pan-European ones.

Before December, when the half-time review of this GATT round takes place, Europe's masterbuilders must clarify their trading intentions. They should say they are willing to look for specific import relief under the GATT, rather than through VRAs, provided that a GATT safeguards system can be devised. And they should not write demands for bilateral reciprocity into European law; if they are unwise enough to want any reciprocity, at least keep it informal. Otherwise Europe's trade with the rest of the world could become an affair of keeps, sappers, petards, bombs and hot oil—with the main misery reserved for those inside the citadel.

Mr. HOLLINGS. I do not want to bore the colleagues by reading it in its entirety. It is there in the RECORD. It states,

From within their newly armoured siege towers the Americans watch Europe's masterbuilders at work. Surely they are building a fortress? No, say the Europeans, by 1992 we will have created a great market whose wide avenues will be open to fair-minded traders from every land. The watchers are not convinced.

I just want to emphasize, "fair-minded traders." Who is a fair-minded trader?

If I can get a dollar for product X, I will take a dollar. If I can get \$500, I will take \$500. And if you are stupid enough to give me \$5,000, I will take \$5,000 for it.

Yet the Economist comes up with this nebulous baffle about "fair-minded." They want fair trade so they say they are open to "fair-minded traders from every land." If you are the custodian of the economic survival of

your country, you operate in your country's interests. Period. There is no "fair-minded." That is juvenile. We can all agree if we had free trade the world around, it would be in this country's interests to have free trade. And that is what we had in the past, and we set the example. We were big, fat, rich, and happy. We set the example with the Marshall plan.

We said, well, we will lose some of our market, but we have got so much. After all, you cannot be a hog. So we gave up part of the markets voluntarily. We all knew it.

Now it has become politically taboo to try to protect the remainder of our shrinking market share. That is the silly nonsense we have gotten into.

We ought to understand human nature better. They are calling for "fair-minded traders." I mean, look at the world economy. Brother, all of them are thieves.

That is why American Express is doing so well: Don't leave home without it. You must get American Express checks. For heaven's sakes. The message is, "You will have your pockets picked the world around if you travel." They made a business out of it. So much for "fair-minded traders."

The Economist continues:

The watchers are not convinced. They note that Europe's masons hold their plans close to their chests. They watch, brick after protectionist brick—an antidumping suit and a reciprocity clause here, a local-content rule there—being added to Europe's agricultural earthworks. Soon the taunts fly as never before, with both sides prophesying war.

Wake up, Economist, the war is on. It has been going on for 30 years.

They are still in that ivory tower, saying we should prevent the war. We tried it for the past 45 years and we are broke. I cannot wake them up around this Congress to realize that their country is broke. Who believes the nonsense about a U.S. economic miracle? Every family knows they have been spending too much. They have not been saving. They are over-extended on their credit cards, their home payments. They are not able to save anything and we are all whistling past the graveyard.

Politically, all hope we can get past November 8, Election Day. And economically we hope at least we can get by for another year until we can begin, in the first of 1989, to patch this up with a value-added tax or some other measure of constraint and sacrifice which are necessary.

John F. Kennedy said: "I present you a program not of promises, but of challenges."

He said: "It is not what I am going to give the American people. I am going to ask of the American people."

I can hear him now. That is how he got elected. But we all run 28 years later, on the platform of what we are

going to give away, and that is how we get reelected.

It is time for sacrifice and it is time for sobriety. Listen to this: "Implicit in such buying off is the preference given to producers over consumers in the new Europe."

Whoopee.

"Implicit in such buying off is the preference given to producers over consumers." The market will take care of consumers. The Government must take care of producers. No Government was ever organized to get everybody something for a cheap price. The market does that. Do not get confused, Economist.

When I swear to protect and preserve the economy, I mean to do it. I do not mean protect and preserve consumers to give them a cheap price. The free market does that. I am supposed to protect the production base of my Nation.

I believed in that oil import quota back in 1955. We put it in because we had learned from the history of World War I that England had all the ships but they did not have the oil. Similarly, our defense depends on a domestic source of fuel for the Air Force, and the Navy, as well as the Army.

The Economist writes that, "Big European companies were early champions of the idea of a unified market; they felt they needed wider, less red-taped horizons than their individual home markets could provide. The world market? No: A big sheltered European market was what they had in mind, and that is what they are now demanding."

Certainly that is what they are demanding because that is what the competition demands.

Reading on: "Too many Europeans already take it as read that access to their sheltered market by foreign companies will be a privilege that has to be paid for. Mr. Willy de Clercq, the European Trade Commissioner, has made it clear that in demanding such reciprocity 'we will have to pursue a symmetry not so much in the legal equivalence of conditions of access to markets, but rather an equivalence in their economic effects.'"

That is exactly what Ricardo was talking about, not the equivalence in legal measures, necessarily, but comparative advantage. You have a different productivity and a different advantage, a different climate, a different investment. Today, unfortunately or fortunately, you can invest and do what you want regardless of climate, machinery, resources, or whatever. You can make anything anywhere.

Really, de Clercq is only repeating what Ricardo said back in 1927: "The reciprocity argument threatens to crop up whenever the EEC negotiates a directive that is vital to 1992." It should. Reciprocal free trade; you live in the real world. We want peace, but

you cannot direct your policies from the vantage point or disadvantage point that you already have it.

"The best way to preserve the peace is to prepare for war," said George Washington, our Founding Father, and that is how we maintained the peace for 45 years because we had nuclear as a deterrent. Reciprocity, when it is to my economic advantage to deal with you, swap whatever it is, dollars for products or products for products, you do so. Lyndon Johnson knew how to do it. As a politician, he went to New Zealand. He said: "I think we can take some of your lamb."

They said: "Fine, we think we can send some troops to Vietnam."

Now we have people running around the world saying we are not going to have any linkage between the economy and our foreign policy. Can you imagine such a thing? The best foreign policy is one of linkage.

If you want to really develop a foreign policy for this hemisphere, take advantage of our trade leverage. President Eisenhower had his Operation Pan America. Under JFK, we had the Alliance for Progress. Now we have the Caribbean Basin Initiative. What have we accomplished. Very little.

I offer an alternative. Consider that they had, say, 28,000 high school graduates in Panama this past June with no place to go, no business. They have the talent, they have the will, but they do not have the economic opportunity. All the aid we send goes to the leaders of these countries, and the leaders stash it away in a Miami bank account, and it does not get to the hungry and poor. They do not want a middle class to develop because it would take over if they got a truly free election.

They have never developed a middle class. The strength of a free nation depends upon its middle class. The point is that if you do not have a piece of the action, an interest in the economy and in the community, then why not join the revolution? If you have been poor, your family has been poor, generation in, generation out, you cannot get out of the system, then at least you can revolt.

We can forestall that with a trade policy. If we globalized our quotas like we are asking for in this bill, I can take 10 percent of the textiles away from the People's Republic of China. I am not trying to develop China. I am trying to develop the free Western Hemisphere. I can take 10 percent from Hong Kong. If we go to war, there is not going to be a Hong Kong Army defending us in the Pacific or here or anywhere. They do not have an army. Take 10 percent of the textiles in Korea. They are doing well now. They are making weaponry. Take quotas from Taiwan. Then reassign all those quotas to Latin America where they are desperate for economic development.

Then get your Peace Corps from the Harvard Business School and the business school at Austin, TX, and around the country and let the Peace Corpsmen go down there and set up businesses. You have the talent in the high school graduates. We can set up the business and give them the market, and there is no impact on employment in the United States of America.

You build up a middle class. After doing that for 15 years or so, you will find a middle class developed, and they will have free elections.

Instead, we go around like the Arias plan, "I'm for peace and let's have a free election," and what do you get? You get the Marxists cleaning your clock, a total takeover in Nicaragua, and we wonder why.

How do you give peace a chance? By gosh, give them some bread in their mouths. That is how you give peace a chance. Build up a middle class, get a trade policy. Have linkage. You do have the richest market in the world. You might as well take advantage of it.

We are not any smarter than the Japanese or the Chinese or the Germans or the British or anybody else. People are smart the world over. So this intellectual arrogance we have around here: "give them textiles and shoes, they are low skill, and we will make the computers and the airplanes," I heard that 30 years ago. Now they are making the computers and they are making the airplanes. I am not even going to be able to hold onto my shoes and my textiles. There has been a debate on trade policy from the start. We have been into this and nobody is listening and. The newspapers will not listen because they are paid off by the retailers. They accused me of being paid off. I do the same to them. They are paid off. They do not have any competition. There is a monopoly of the newspapers really in this town. The Washington Times really is struggling. There is a monopoly in my town and in Columbia, SC, and in Greenville and Birmingham. They are sitting around on their monopolistic duffs with no imports. We do not import newspapers or politicians. It is grand for us to sit around and tell business people how to get competitive when we ourselves are not subject to imports. Newspapers are not subject to imports but they think they know all about the import market.

We can develop really the undeveloped world through a studied trade policy, following the lead of the European Economic Community that put in globalized quotas on textiles. They have globalization down in Australia and down in New Zealand. They have learned how to set themselves up and protect their economies, their industrial backbone. Similarly here, we can do



that and have a stated policy and be very generous. I am willing to agree that up until now we have been wealthy and we can concede a majority of the market—not only give them a majority of the market, give them every bit of the growth as we grow in population and consumption in this country, give it all to the offshore producers. What is more generous than that in order to have a stated policy to maintain and retain some market share? And the others coming in will keep it as competitive as can be if the retailers give it a chance and do not price the imported and the domestically-manufactured product at the same price.

So there is a good trade policy that would produce better results in foreign policy than all the bluff and bluster that we are going to "invade Nicaragua" and "blockade Cuba." We should have learned you cannot bluff and bluster in Vietnam.

So having learned that lesson, let us use the tools that we have, linking our economy to our foreign policy, building up a Latin middle class so that we can have free elections and self-determination in Latin America.

Now, Mr. President, a concluding thought about trade policy. We need a trade czar, someone who understands it. I have said, and I will say it again, I would withdraw this textile-footwear bill if they gave me a trade council to coordinate and truly enforce. We do not enforce our antidumping laws. We do not enforce the subsidy provision. I can go down provision after provision that has been adulterated or distorted by administration after administration, Republican and Democrat alike. They have never come to understand. All they think of is defense, all they think of is foreign policy and political votes.

The Japanese lobbyists and lawyers have access. They get right into the White House, the Cabinet. They beat us on the head with all of their slick brochures and editorials if we dare try to fashion a reasoned trade policy and a preservation of the market share that we deserve.

I cannot, on the one hand, require an industry to have unemployment compensation, Social Security, minimum wage, clear air, clean water, safe machinery, a safe working place, and, on the other hand, say go ahead and compete with that fellow I saw on TV early this morning who works 11 hours a day, 6 days a week for less than \$10,000 a year. That is not the American standard that I as a politician, Republican and Democrat, have set.

Now, If I am going to set the high standard, I ought to have the decency and the honesty to protect that standard of living and to protect our capacity to continue as a world power our industrial backbone. I yield the floor.

I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will not go into executive session to consider the nomination of Nicholas F. Brady to be Secretary of the Treasury.

Debate on the nomination is limited to 30 minutes, equally divided and controlled by Senator MOYNIHAN and Senator PACKWOOD.

#### DEPARTMENT OF THE TREASURY

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Nicholas F. Brady, of New Jersey, to be Secretary of the Treasury.

Mr. MOYNIHAN. Mr. President, out of deference for my esteemed and learned colleague and long associate on the Finance Committee, Senator BOB PACKWOOD, chairman emeritus—whose party, of course, is in office in the executive branch—I wish that the opening statement on this nomination be made by the distinguished Senator from Oregon.

Mr. PACKWOOD. I thank my good friend from New York.

Mr. President, there are few nominations that give me greater pleasure than that of Nick Brady, to be Secretary of the Treasury. To all of us who have served with him in the Senate and to many people who have not served with him, this is a man whose reputation for integrity and competence is probably without peer. All of us who knew him when he served here for a short time, when he was appointed because of a vacancy and did not run for reelection, came to appreciate him, without exception.

He chose not to run in 1982 and went back to Dillon, Read, where he has been since 1954, Dillon, Read, being a significant brokerage house. He is the chairman and a managing director of Dillon, Read.

One might think to oneself that that, in and of itself, would be sufficient qualifications to be Secretary, and it probably would be. But Nick Brady has qualifications that go far beyond that.

He served in the Senate for a short period of time in 1982, where he was a member of the Armed Services Committee and the Committee on Banking, Housing, and Urban Affairs. Since

he left the Senate in 1982, he has served on the President's Commission on Executive, Legislative and Judicial Salaries, the President's Commission on Strategic Forces, the National Bipartisan Commission on Central America, the Commission on Security and Economic Assistance, and the Blue Ribbon Commission on Defense Management. Most recently, he chaired the President's Task Force on Market Mechanisms, which was appointed shortly after the tremendous fall in the stock market last October.

Nick Brady is also a trustee of Rockefeller University. He serves currently as trustee of Rockefeller University, is a member of the board of the Council on Foreign Relations, and serves on the board of the Economic Club of New York.

He is clearly committed to continuing the policies that have so wisely produced 17 million new jobs in the last 6 years, brought our tax rates to the lowest level in 50 years, and has pledged an extension of those policies which have served this country well. I do not envy him in his task.

Normally, if we were voting on a position in the last 3 or 4 months of an administration, we would say: "What difference does it make? He can be appointed Acting Secretary. If Vice President BUSH is going to win, many of these people will continue."

However, in the case of the Secretary of the Treasury, he has to deal with many of his peers throughout the world, people who have served in longstanding capacities as Foreign Ministers or the equivalent of Foreign Ministers and Treasury Secretaries; and if we did not confirm the nomination of Nick Brady, he would go with a bit of a cloud over his head to some important national meetings that are due to start taking place immediately.

So, nothing could serve the Senate, Congress, or the country more than to give Nick Brady a unanimous vote of approval and send him on his way in the last few months of this administration with our blessings and our good wishes in one of the most difficult jobs that exist in Government.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from New York.

Mr. MOYNIHAN. Madam President, I should like to associate myself with the remarks of my esteemed friend, the former chairman of the Committee on Finance and the ranking member today.

I should like to observe that the precedent for the Managing Director of Dillon, Read being qualified to be Secretary of the Treasury was, I suppose, commenced by Mr. Dillon of Dillon, Read—C. Douglas Dillon—a good friend of both of ours, who served in the Eisenhower administration and the Kennedy administration.

Were he asked, I cannot doubt that he would serve the Reagan administration and the Bush or the Dukakis administration.

It is entirely the case that during the period when Mr. Brady served in the Senate, he impressed all of us with his sense of the elemental importance of integrity and trust and probity in our dealings. It has been said often that trust is the coin of this realm, and we trust Nick Brady, and the world should know that we do.

We are going to go through a somewhat unusual exercise, meaning no disrespect to other appointments that are now going through in the remaining months of an administration. These have been fine persons who have come to us, but it has been our practice simply to approve them by unanimous consent. We are not going to do that today. We are going to vote, and we want a unanimous rollcall vote.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. MOYNIHAN. I wanted to make certain of that.

I should like to make two points: First, an extension of the remarks about the qualities of our soon-to-be Secretary. When he left the Senate, it is worth recording, because it is important to the life of the Republic and to our institution, that he wanted to leave something behind; and he proceeded forthwith to revive what is probably the most important and significant architectural or sculptural—I do not know how exactly to say it—exercise and enterprise on Capitol Hill in memory.

The great American sculptor, Alexander Calder, designed a stabile and mobile called "Mountains and Clouds," one staying on the ground and the other hanging from the Atrium of our new Senate Office Building. It was the last work he did. As a matter of fact, he was in Washington to work a little on the model, and he went back to New York, and died that evening. So it is more than just one of Calder's great works.

However, we had decided that we could not afford it. Nicholas Brady decided that the new office building could not do without it, nor could the American people do without it. And on his own, he raised the funds for its fabrication and its emplacement.

It is indeed an extraordinary event, which perhaps not enough visitors to Washington know about. There is no equal in size in the world, and there is only one place you can see it, and that is in the new Senate office building, and anybody who might be watching us today is welcome to do so.

Yesterday at our hearing, Mr. Brady, I think intelligently, gave no commitments about his policies, save that he would continue in general the present policies. But he was asked at some length about matters of the deficit, and I particularly asked him about the questions of the surpluses of the Social Security Trust Funds which were put in place by the Social Security Amendments of 1983.

Now this seems an arcane and difficult subject. The current issue of *Fortune* magazine likens it to the issue of black holes and other exotica of the physicists which no one but physicists can understand. It is not that at all. But it is a new subject.

In the history of public finance the question of how do we deal with Social Security surpluses has never had to be addressed because simply they never existed and it was our policy that they not exist. We were on a pay-as-you-go basis and each year took in enough to pay what we paid out, with a little surplus, for a cushion, in the event of a downturn in the economy.

In 1983, following from the legislation in 1977, which Senator PACKWOOD would well remember, we went to a partially funded system. Canada did that in 1966 and it has changed their public finances, and it has quite transformed them.

The numbers for the moment at least are fairly easy to keep in mind. In the next 30 years, we will have \$3 trillion more cash coming into the system than is paid out for benefits.

The central issue of public policy, in those 30 years as far as this Senator is concerned, is what do we do with that \$3 trillion.

To get a sense of it, Madam President, we may refer to the New York Stock Exchange, which Mr. Brady so ably investigated for us recently. If you sold the stock of every company listed on the New York Stock Exchange you would raise \$2.3 trillion. The Social Security surpluses are \$3 trillion. They will be more than the value of most of the major firms in the country.

Mr. Brady listened with care and thoughtfulness to the questions on this matter yesterday, and I hope he will address them further.

Just to make that point, I called his attention to the recent Congressional Budget Office forecast which shows that the deficits keep going up through fiscal year 1994, in terms of the onbudget deficit. It rises to \$234 billion, a quarter of a trillion in fiscal year 1994. But the total deficit, the deficit that is most frequently cited, will be kept at half that level because of the surpluses in the trust fund.

But if we use those surpluses just to disguise ongoing expenditures we cannot use them for savings and investment. That seems to be elemental and important.

At this point, Madam President, just because I mentioned them in yesterday's hearing, I will ask that two tables be printed in the *RECORD*. First, the CBO projections which show the difference between the onbudget deficit and the total deficit, the latter includes the Social Security surpluses. A second table shows the size of the trust funds surpluses over the next 30 years. The trust funds increase to much higher levels than \$3 trillion, but those higher levels represent interest accrued by the \$3 trillion. Three trillion dollars is what you get in cash.

I ask unanimous consent that those tables be printed in the *RECORD*.

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

SUMMARY TABLE 1.—BASELINE DEFICIT PROJECTIONS AND TARGETS

(By fiscal year)

	Actual 1987	Estimate 1988	Projections					
			1989	1990	1991	1992	1993	1994
In billions of dollars								
Baseline projections:								
On-budget deficit .....	170	194	199	199	206	212	220	234
Off-budget surplus <sup>1</sup> .....	20	39	52	63	74	86	99	113
Total deficit .....	150	155	148	136	131	126	121	121
Deficit targets .....	(*)	144	136	100	64	28	0	(*)
As a percentage of GNP								
Baseline projections:								
On-budget deficit .....	3.8	4.1	3.9	3.7	3.6	3.4	3.3	3.3
Off-budget surplus <sup>1</sup> .....	0.4	0.8	1.0	1.2	1.3	1.4	1.5	1.6
Total deficit .....	3.4	3.2	2.9	2.5	2.3	2.0	1.8	1.7



SUMMARY TABLE 1.—BASELINE DEFICIT PROJECTIONS AND TARGETS—Continued

	Actual 1987	Estimate 1988	Projections					
			1989	1990	1991	1992	1993	1994
Deficit targets	(*)	3.0	2.7	1.8	1.1	0.5	0	(*)

\* Social Security (Old-Age and Survivors Insurance and Disability Insurance Trust Funds).

\* The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 established targets for 1988 through 1993.

Source: Congressional Budget Office, the Economic and Budget Outlook: An Update, August 1988.

PROJECTED INCREASE IN TRUST FUNDS <sup>1</sup>

(In billions of dollars)

	Net increase			Cumulative net increase		
	Total	Interest	Principal	Total	Interest	Principal
1988	40	8	32	40	8	32
1989	45	12	34	85	20	65
1990	57	16	41	143	36	107
1991	65	21	44	208	57	151
1992	75	27	48	283	84	199
1993	86	33	54	369	117	253
1994	98	38	59	467	155	312
1995	110	45	65	577	200	377
1996	123	52	71	700	252	448
1997	137	59	78	836	310	526
1998	152	67	85	988	377	611
1999	168	75	93	1,156	452	704
2000	185	84	101	1,341	536	805
2001	202	92	110	1,543	628	915
2002	220	101	119	1,763	730	1,034
2003	243	115	128	2,006	844	1,162
2004	267	130	137	2,273	974	1,298
2005	291	146	145	2,564	1,121	1,443
2006	317	164	152	2,880	1,285	1,595
2007	342	184	159	3,223	1,469	1,754
2008	367	205	162	3,589	1,673	1,916
2009	390	227	163	3,980	1,900	2,080
2010	412	250	162	4,392	2,151	2,241
2011	432	275	156	4,823	2,426	2,398
2012	449	301	147	5,272	2,727	2,545
2013	464	328	136	5,736	3,055	2,681
2014	475	356	120	6,212	3,411	2,801
2015	483	384	99	6,694	3,794	2,900
2016	485	412	73	7,179	4,207	2,973
2017	483	441	42	7,662	4,647	3,015
2018	477	469	8	8,139	5,116	3,023

<sup>1</sup> Projected net increase in the combined Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Funds, based on alternative II-B of the 1988 Trustees Report, calendar years 1988-2032. Alternative II-B of the 1988 Trustees Report refers to one of four sets of economic assumptions. Assumptions I and III refer to "optimistic" and "pessimistic" assumptions, respectively. Assumptions II-A and II-B are intermediate assumptions: II-B is the less optimistic of the two.

Source: Office of the Actuary, Social Security Administration, Baltimore, MD (August 1988).

Mr. MOYNIHAN. With that, Madam President, I yield the floor.

I see our distinguished Senator from North Dakota is present.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. MOYNIHAN. May I just interrupt the distinguished Senator from North Dakota to ask would he be agreeable since we are equally divided that I yield him 3 minutes?

Mr. CONRAD. If I could ask for 5 minutes.

Mr. PACKWOOD. I will yield 5 minutes.

The PRESIDING OFFICER. The Chair would like to advise the distinguished Senator from New York he has approximately 4 minutes and 30 seconds. The distinguished Senator from Oregon representing that side of the aisle has 11 minutes and 35 seconds.

Who yields time?

Mr. MOYNIHAN. I will yield the remainder of my time to the Senator from North Dakota.

The distinguished Senator from Mississippi is on the floor and will want to speak as notified and we are very

happy to see him here and we welcome him.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, I arose this morning to see a story in the Washington Post that involves Nicholas Brady entitled "U.S. Deficits Downplayed by Brady."

The lead paragraph reads "Nicholas F. Brady, President Reagan's nominee for Treasury Secretary, minimized the importance of the Federal budget deficit, the trade deficit, financial market gyrations and a host of other economic problems yesterday. He said the United States is growing out of its twin deficits and can continue to do so."

Madam President, I am moved to ask when the hoax will end? The crowd that has presided over a tripling of the national debt, a sixfold increase in the trade deficit, and a plunge in this Nation's international debt status from being the largest creditor nation in the world to being the largest debtor nation in the world, now says, "Well, it really does not matter."

It really does matter. There are consequences to piling debt on top of debt

and deficits on top of deficits and the proof is overwhelming.

Madam President, in the Washington Post last Thursday there was a story entitled "Scientists Warn of U.S. Reliance on Foreigners." That story told an interesting tale.

It told about products that the United States pioneered—phonographs, color televisions, audio tape recorders, video cassettes, ball bearings and telephone sets—and traced what has happened to U.S. companies' market share from 1970 until today.

This tells part of the story of the consequences of not paying attention to debt and deficits.

Phonographs—in 1970, the United States had 90 percent of the domestic market; today, zero. Color televisions—in 1970, U.S. companies had 90 percent of the domestic American market; today, 10 percent. Audio tape recorders—in 1970, we had 40 percent of the domestic market; today, zero. Video cassettes—we had 10 percent; today, zero. Ball bearings—we had 90 percent of the domestic market; today, 70 percent. Telephone sets—in 1970, U.S. companies had 100 percent of the domestic market; today, 25 percent.

The story repeats itself in the steel industry, in the automobile industry, and in the computer industry.

When are we going to wake up? We have a Presidential campaign going on now that talks about national security. Every night on the news we hear about national security.

The root of national security is in economic security and we are seeing the base of our economic strength being eroded by a policy that allows debt on top of debt, deficits on top of deficits and no one says a word.

Now Mr. Brady who is put before us as the nominee of the President to be the Secretary of Treasury says, "Well, don't worry about the deficits. We are going to grow out of them. Everything is fine."

Madam President, the truth is different and the truth will win out.

I have a table that we received yesterday in a meeting of the Senate deficit reduction caucus that shows what happens if you look at the deficit not only in terms of the on-budget deficit but also in terms of what happens in relationship to the Social Security Trust Fund and the other retirement accounts, and the picture that emerges, Madam President, is quite different.

The real operating deficit of this country is growing, not declining. It is time to pay attention to that because, if we do not, there are real world consequences. It is time for this country to pay attention to those real world consequences.

I was disappointed that Mr. Brady was telling the country, "Well, we really do not need to worry; it really does not make any difference," because it does make a difference.

It is time for our country to reexamine where we are headed and to pay attention to the debt and the deficits, because they threaten, in a very real way, the economic and the national security of this country.

Madam President, I ask unanimous consent that two articles from the Washington Post and tables relating to the budget be printed in the RECORD.

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

[From the Washington Post, Sept. 14, 1988]

**U.S. DEFICITS DOWNPLAYED BY BRADY—SENATE PANEL APPROVES NOMINEE FOR TREASURY**

(By Paul Blustein and Hobart Rowen)

Nicholas F. Brady, President Reagan's nominee for Treasury secretary, minimized the importance of the federal budget deficit, the trade deficit, financial market gyrations and a host of other economic problems yesterday. He said the United States is growing out of its twin deficits and can continue to do so.

Brady also stepped away from the recommendations on stock market reform that were presented this year by a presidential commission he chaired. Asked whether he

would try to implement the panel's proposals, which were largely rejected by the White House, Brady said he is "not sure we were 100 percent right."

Brady's comments came at a Senate Finance Committee hearing to consider his nomination. The panel later voted, 15-0, to recommend his nomination to the full Senate, which could act as early as today.

His remarks on the budget deficit reflected a degree of optimism about the government's fiscal situation that seemed to hark back to the early days of the Reagan administration, when some officials promised that budget deficits soon would disappear. Brady's assertions appeared likely to draw criticism from Democrats—indeed, some Democratic Senators took issue with him yesterday—and opened up the possibility of complaints from U.S. economic allies.

Brady said he didn't mean to leave the impression that the \$150 billion budget deficit should be "countenanced," but he repeatedly asserted that its significance has diminished as the economy has grown. The United States, he said, "has the ability to withstand" the debt it must carry to finance the deficit, because "the whole world is bigger now. Transactions take place in the billions now that used to be in the millions."

As for the trade deficit, he predicted it would decline much faster than expected in the next few years because U.S. companies are better able to compete internationally with a cheaper dollar.

As expected, Brady vowed to continue Reagan administration policy in such key areas as international efforts to stabilize currencies. But more important, yesterday's hearing suggested that if Brady becomes Treasury secretary in a Bush administration—a position he is expected to assume if the Republican nominee wins the presidency—he may refrain from advancing bold steps to remedy the "twin deficits" that worry many mainstream economists.

Even on the subject on which he is identified as a reformer—the stock market—Brady struck a relaxed attitude, saying that "in the main," the necessary steps have been taken to avert another stock market crash.

Brady's comments marked a retreat from the recommendations of the five-member Brady Commission, which was appointed by Reagan in the wake of the Oct. 19, 1987, market collapse and which urged the adoption of sweeping measures to dampen volatility in securities prices. He applauded steps by the New York Stock Exchange and Chicago Mercantile Exchange to introduce "circuit-breaker" mechanisms aimed at interrupting sharp fluctuations in market prices, and said he would favor the adoption of similar reforms by the over-the-counter stock market.

But he indicated no regret over the fact that many of the panel's suggestions have been shelved, observing that the panel "only had 60 days" to draft its report. "I think we're about on the right course" in managing market swings, he said.

Brady, an investment banker who briefly represented New Jersey in the Senate, was treated at the hearing with the warmth typically accorded a former colleague. But Democratic senators argued yesterday that Brady was taking too rosy a view of the budget problem.

Brady said: "I do believe that we can grow our way out" of the budget deficit. He said "the figure we should be looking at" is the deficit as a percentage of gross national product, the nation's total output of goods

and services. The deficit, which reached a record 6.3 percent of GNP in fiscal 1983, absorbed 3.4 percent of GNP in fiscal 1987.

But Sen. Daniel P. Moynihan (D-N.Y.) contended that the deficit is declining largely because of a huge and growing surplus in the Social Security trust fund. That surplus shouldn't be counted as genuine deficit reduction, Moynihan asserted, because the money will be needed in the early years of the next century to finance retirement benefits for the baby-boom generation.

"I can only tell you that I wish the progress [in cutting the deficit] were faster," Brady replied. "But I think the efforts are in the right direction. I think if we keep battling away at it we'll get there."

Brady's upbeat view of the deficit may draw some skepticism from U.S. trading partners, who contend that the budget gap is a serious contributor to world trade imbalances. If confirmed, Brady is scheduled to meet next week in West Berlin with officials of the Group of Seven industrial countries, and immediately thereafter he is slated to represent the United States at the annual meeting of the International Monetary Fund and World Bank.

[From the Washington Post, Sept. 8, 1988]

**SCIENTIST WARNS OF U.S. RELIANCE ON FOREIGNERS—EX-FOUNDATION CHIEF CALLS DEPENDENCE ON IMPORTED TALENT OMINOUS**

(By Malcolm Gladwell)

The United States is suffering from an "ominous" dependence on foreign professors and researchers in its higher education and research efforts, former National Science Foundation chairman Roland W. Schmitt told a meeting of the Washington-based Council on Competitiveness yesterday.

"We have become just as dependent on the import of research and faculty grade talent as on the import of consumer electronics, DRAM memories, or automobiles," Schmitt, now president of Rensselaer Polytechnic Institute in New York, said, pointing to statistics showing that almost 40 percent of all graduate students of engineering in the United States are foreign-born.

Schmitt spoke at the introduction of a new Council on Competitiveness report that calls for the U.S. government to end years of complacency and formulate an aggressive technology policy to "create an environment more conducive to rapid commercialization by the private sector."

The report is the latest of many that have focused on America's declining industrial strength since the "competitiveness" issue became the catch phrase of U.S. economic policy four years ago.

America's Achilles' heel is its poor performance in turning scientific discoveries into commercial products and services, the report said. It cited five major product lines pioneered by U.S. companies—phonographs, color televisions, audio tape recorders, video cassette recorders and telephone sets—in which the U.S. market share has sharply declined. Part of the problem, the Council said, is governmental indifference.

"While other governments have used science and technology policies to promote industrial growth, the U.S. technology policy has viewed commercial applications as incidental or secondary in importance," said Hewlett-Packard Co. Chairman John Young, who chairs the council, a two-year-old research group made up of 151 chief executives from industry, education and labor.



The study's suggestions range from a request for a creation of a Cabinet-level office of science and technology to a redirection of the federally funded research and development efforts that currently account for half of the \$125 billion the United States spends on research and development every year toward more commercial applications.

The report also calls for new investment of federal money in graduate-level science and engineering programs to head off the country's "significant human resource problems."

According to Schmitt, a combination of decreasing interest in math and science

among high school students, unqualified science teachers and underfunded engineering and science programs at U.S. colleges has created a situation that may result in a shortage of 500,000 scientists and engineers by the year 2010.

"My personal view is that [foreign professors and researchers] have saved us," Schmitt said. "But the dropping interest of our own citizens in these programs ought to be of concern."

Young, who headed President Reagan's commission on industrial competitiveness, said there has been some real progress in

addressing competitiveness issues during the past few years.

"You've seen an absolute night and day difference in trade administration over the past two and a half years," he said. But he would not speculate on which of the two presidential candidates might be more receptive to the report's recommendations.

"Looking at the pronouncement of either candidate, I don't find a rich field for research and development in either case," Young said.

# GRAMM-RUDMAN-HOLLINGS (GRH) LAW'S DEFICIT TARGETS AND PROJECTED FEDERAL BUDGET DEFICIT WITH AND WITHOUT RETIREMENT TRUST FUNDS, FISCAL YEARS 1980-94.

(In billions of dollars)

	1980	1987	1988	1989	1990	1991	1992	1993	1994
GRH targets.....	N.A.	-144	-144	-136	-100	-64	-28	0	N.A.
Margin <sup>1</sup> .....				(10)	(10)	(10)	(10)	(0)	
Total Federal deficit.....	-74	-150	-155	-148	-136	-131	-126	-121	-121
Less surplus in: Social Security (OASDI) (off-budget).....	-1	20	39	52	63	74	86	99	113
On budget deficit.....	-73	-170	-194	-199	-199	-206	-212	-220	-234
Less surplus in:									
Medicare (HI).....	1	12	16	20	19	17	17	15	14
Fed. Employ. Retirement <sup>2</sup> .....	10	31	34	37	37	41	43	44	48
Nonretirement budget deficit.....	-84	-213	-244	-256	-255	-264	-272	-279	-306

<sup>1</sup> Sequestration is not required if the project deficit exceeds the target but by less than the margin.

<sup>2</sup> Not equal to total deficit less the Social Security surplus because of rounding.

<sup>3</sup> Includes civilian and military retirement trust funds.

Source: Numbers for 1980 and 1987 are actual. Numbers for 1988 through 1993 are the Congressional Budget Office baseline projections from August 1988.

## FEDERAL GOVERNMENT OUTLAYS AND RECEIPTS AS A PERCENT OF GROSS NATIONAL PRODUCT FISCAL YEARS

Item	Actual		CBO Baseline		
	1960	1970	1980	1988	1993
<b>ON-BUDGET</b>					
Outlays:					
Defense.....	9.5	8.3	5.0	6.1	5.3
Medicare <sup>1</sup> .....	0.0	0.7	1.3	1.9	2.3
Other Nondefense.....	5.1	6.4	9.6	6.8	6.3
(Program Outlays) <sup>2</sup> .....	(14.6)	(15.4)	(15.8)	(14.8)	(13.9)
Interest.....	1.5	1.6	2.1	3.4	3.7
Total.....	16.1	17.0	17.8	18.2	17.5
Revenues:					
Individual Income.....	8.0	9.1	9.1	8.3	8.8
Corporate Income.....	4.2	3.3	2.4	2.1	2.1
Social Ins. Taxes.....	0.8	1.1	1.7	1.9	1.7
Other.....	3.1	2.5	1.9	1.7	1.4
Total <sup>3</sup> .....	16.2	16.1	15.1	14.0	14.0
Surplus/Deficit <sup>3</sup> .....	0.1	-0.9	-2.7	-4.3	-3.6
<b>OFF-BUDGET</b>					
Social Security:					
Outlays.....	2.3	3.1	4.4	4.6	4.6
Receipts <sup>4</sup> .....	2.3	3.6	4.4	5.4	6.1
Social Ins. Taxes.....	(2.1)	(3.4)	(4.2)	(5.1)	(5.4)
Interest and Other.....	(0.2)	(0.3)	(0.2)	(0.2)	(0.6)
Surplus/Deficit <sup>3</sup> .....	0.0	0.6	0.0	0.8	1.5
Total <sup>3</sup> .....	18.2	19.8	22.1	22.6	21.5
Outlays.....	18.2	19.5	19.4	19.2	19.4
Revenues.....	0.0	-0.3	-2.8	-3.4	-2.1
Surplus/Deficit <sup>3</sup> .....					

<sup>1</sup> Medicare spending exceeds that of function 570 (Medicare) by roughly the level of intra-governmental receipts.

<sup>2</sup> Detail may not sum to total due to rounding.

<sup>3</sup> Does not equal the sum of On-Budget and Off-Budget because of intra-governmental transfers.

Source: Historical statistics are from the Office of Management and Budget. The baseline estimates are those of the Congressional Budget Office.

Mr. PACKWOOD. Madam President, how much time would the Senator from Mississippi like?

Mr. STENNIS. Three minutes.

Mr. PACKWOOD. I yield 3 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Madam President, I thank the floor leaders very much for their courtesy here.

I remember the nominee as a Member of this body. I remember him favorably. According to a strict rule, I do not see any reason why he should not be confirmed. To the contrary, my impression is that he is a capable man, a man of capacity, and a man of experience, where he showed a fine talent and solid, well-grounded balance as he viewed the need for sound finance for our people and for the Government itself, all segments of the Government. I believe and hope that his record will be an outstanding one. I shall certainly vote to approve.

Mr. DOLE. Madam President, as the Republican leader, as a member of the Senate Finance Committee, and as a former Senate colleague, it is an honor to speak in support of the nomination of Nicholas Brady as Secretary of the Treasury.

The unanimous approval of his nomination by the Finance Committee yesterday is clear indication of the high regard in which Nick Brady is held. And it is a reputation that is justly deserved.

Many of us know Nick personally, from his 8 months of service in 1982 as a Senator from New Jersey. During his tenure here, Nick served on the Armed Services and Banking Committees. In addition to his Senate experience, Nick was Chairman of the President's Commission on Legislative and Judicial Salaries, served on the President's Commission on Strategic Forces, the National Bipartisan Commission on

Central America, the Committee on Security and Economic Assistance, and the Blue Ribbon Commission on Defense Management. His most recent Government assignment was to head up the Presidential Task Force on Market Mechanisms, which tried to decipher what happened to the stock market last October and make recommendations on how to avoid future disruptions.

Nick Brady's experience as cochairman and managing director of Dillon, Read & Co., the prestigious New York investment banking firm, certainly helped him in this task; and will undoubtedly provide the kind of real world business knowledge that will be a great asset at the Treasury Department.

As he indicated during his confirmation hearings yesterday, Nick Brady will continue to provide the kind of strong, study, economic leadership that has been a hallmark of the Reagan administration. He is familiar with existing and potential problems that confront ours and the world's economy. And I am confident Nick Brady will direct economic policy in a way that best assures the continuation and expansion of the record-setting prosperity this Nation now enjoys.

Mr. President, I urge my colleagues to unanimously confirm the nomination of Nicholas Brady as Treasury Secretary.

Mr. DOMENICI. Mr. President, it is with great pleasure that I rise to support the confirmation of Senator Nicholas F. Brady as our next Secretary of the Treasury.

Filling the shoes of former Secretary James Baker III will be a difficult challenge—one that I feel Senator Brady is qualified to undertake.

Senator Brady comes to us with outstanding credentials. He received a bachelor of arts degree from Yale University in 1952 and masters in business administration from Harvard Business School in 1954. He then joined Dillon, Read & Co., Inc., where he is the former cochairman and managing director.

Senator Brady brings many years of financial experience to the Department of the Treasury. I had the pleasure of serving briefly in the Senate with him where he was appointed in September 1982 through December 1982.

During this time I had the opportunity to work with him on matters concerning the Federal budget. He displayed great concern for deficits, along with a willingness to compromise and work with his colleagues to address the problem. He established the reputation of favoring an even-handed, fair approach to balancing our Nation's budget.

It is unfortunate that Senator Brady will have such a short time to utilize his expertise as the Secretary of the Treasury. There will be little time for new initiatives between now and January, however, there is much work to be done. In this short time period he will be called upon to respond to unfinished budget legislation, the Canadian Free-Trade Agreement, and the technical corrections bill to the Tax Reform Act of 1986—just to name a few of the major issues.

Senator Brady has long been held in high esteem on Wall Street. In addition, from 1984 to 1985, he served as Chairman of the President's Commission on Executive Legislative and Judicial Salaries. He has also served on the President's Commission on Strategic Forces, the National Bipartisan Commission on Central America, the Commission on Central America, the Commission on Security and Economic Assistance and the Blue Ribbon Commission on Defense Management.

Undoubtedly, he gained his reputation outside financial circles earlier this year when President Reagan named him to head the Commission that investigated October's stock market crash.

When the Commission was first formed, some were pessimistic about how effective it would actually be, but there is a consensus that the report produced by the Brady Commission was the most definitive of all the studies that were conducted. He surprised even the experts with his wealth of detailed and cogent explanations of the October 19 debacle. Senator Brady was said to be primarily responsible for producing information about what exactly went wrong.

Jeffrey B. Lane, president of Shearson Lehman Hutton, said of Senator Brady, "In this business, he is one of those people who knows what's going on." I think he will be one of these people in the Department of the Treasury.

In addition to his professional achievements, Senator Brady is also an accomplished athlete and a devoted family man.

And he is a man of great generosity. As my colleagues remember, Nick Brady and two friends joined together to donate, as a gift to the Senate and the Nation, the Calder sculpture—Mountain and the Clouds—located in the atrium of the Hart Senate Office Building.

I congratulate President Reagan for making a fine selection. I have complete confidence in the abilities of Senator Brady and I will look forward to working with him.

● **MR. MATSUNAGA.** Mr. President, I rise today in support of the President's nomination of Nicholas F. Brady to be Secretary of the Treasury. That nomination was reported favorably by the Committee on Finance on September 13.

Frankly, Mr. President, this nominee has a tough job ahead of him, as indicated by the breadth of responsibilities the job entails. The Secretary of the Treasury not only supervises the Federal Treasury and the national debt, but he plays a central role in the administration's policy decisions on taxes, finances, and the economy. In recent years he has gained a key role in international trade policy as well.

The events of recent years underscore the inextricable connection of domestic fiscal policy to the health of the economy and the size of the trade deficit. To improve the competitiveness of U.S. business in world markets, the Secretary of the Treasury is increasingly called on to spearhead efforts to stabilize international exchange rates. This is a task the current administration at first undertook reluctantly.

Under Mr. Brady's immediate predecessor, however, the administration worked more actively for international cooperation on currency rates. Moreover, the recently enacted Omnibus Trade Act gives the administration a mandate to seek improved exchange rates and consistency of macroeconomic policies between the United States and the other so-called G-7 nations. I look forward to Mr. Brady's pursuing these negotiations vigorously.

Another task the Trade Act gives the Secretary of the Treasury is to study the feasibility of establishing an international body charged with finding solutions to the Third World debt crisis. He is then to consult with both developed and developing foreign countries with the aim of establishing

that organization. Work on this vital goal should begin immediately.

So, the job ahead is not an easy one. Fortunately, Mr. Brady possesses an outstanding set of credentials for this position. He, of course, is a former Member of the Senate, having been appointed to a seat from the State of New Jersey in 1982. He served with distinction as a member of the Banking and Armed Services Committees.

He has had a distinguished career of over 30 years in the field of investment banking with the firm of Dillon, Reed & Co., rising to become that firm's president and chairman.

He has served on various "blue ribbon" commissions, including the National Bipartisan Commission on Central America and the President's Commission on Strategic Forces. He has chaired two such panels, the President's Commission on Executive, Legislative, and Judicial Salaries in 1985 and the Presidential Task Force on Market Mechanisms that looked into the causes of the October 1987 stock market crash and recommended reforms to prevent a recurrence.

I have no question that Mr. Brady is an excellent choice to head the Department of the Treasury, and I urge my colleagues to approve his nomination expeditiously.●

● **MR. DURENBERGER.** Mr. President, I want to take this opportunity to commend the President for nominating Nicholas Brady to succeed James Baker as Secretary of the Treasury. Nick Brady's nomination was unanimously approved by the Senate Finance Committee yesterday because he is one of the most competent and well-respected individuals in this country.

Nick Brady has had a remarkably distinguished career as a public servant and as a member of the private sector. He served in the Senate in 1982, at a time when this country was enduring a terrible recession; a recession in large part the result of the Federal Reserve's effort to wrench out of the economy the inflation that had ravaged this country during the Carter administration.

In 1983, Nick served on the President's Commission on Strategic Forces. And in 1984, he was appointed to the National Bipartisan Commission on Central America where he played a key part in developing an economic aid plan that would have revitalized Central America. Unfortunately, the administration has never provided adequate funds for this plan.

After last year's stock market crash, the President turned to Nick Brady to head up the Task Force on Market Mechanisms which examined the implications of the crash. I know that my colleagues on both sides of the aisle would agree that the report issued by the task force, which everyone refers



to as the Brady report, was an excellent and impartial assessment of the crash which contained many positive recommendations for preventing a similar situation from arising.

I know that Nick will do an excellent job at the Treasury Department and will easily win the confidence of our trading partners when he leads the U.S. delegation to the annual meeting of the World Bank and the International Monetary Fund in West Berlin. It will be difficult for anyone to succeed Jim Baker at Treasury, but if anyone can smoothly fill the void, I am sure it is Nick Brady.

Mr. President, when the Senate Finance Committee yesterday considered Nick Brady's nomination, the chairman of the committee, Lloyd Bentsen, cited many economic challenges facing this country, most notably the trade deficit and the budget deficit. Although no one would minimize the importance of these issues, I think it is worth noting that under the leadership of Treasury Secretary Baker, our budget deficit has been steadily declining; employment levels are at record highs, the economy has had 70 months of uninterrupted growth, and unemployment is at the lowest level in 14 years. And the trade figures released this morning demonstrate that Treasury Secretary Baker's policy of bringing the dollar down to a more competitive level is working.

More needs to be done to deal with these economic challenges, and I am sure that Nick Brady has the capacity to help this country meet the challenge of the global economy. Several years ago, while he was a Member of the Senate, Nick Brady set forth his philosophy for how our Nation should meet its challenges. Citing the 1869 diary entry of John Wesley Powell, who led the first expedition down the Colorado River, Nick Brady stated: "The safest course at the difficult times in our lives is to tackle our problems head on." As Treasury Secretary, Nick Brady will carry that philosophy forward and serve his country with distinction and honor.

Mr. KARNES. Mr. President, I would like to take this opportunity to express my support for the confirmation of Nicholas F. Brady as Secretary of the Treasury.

I would first like to commend Secretary Baker for the leadership he provided the Treasury during his tenure. His implementation of a sound monetary policy and a responsible fiscal policy were critical in continuing the strong economic growth the country has experienced for the last 7 years. Secretary Baker is also largely responsible for developing a more cooperative environment among the G-7 countries which will facilitate the formulation of international economic policies.

Mr. President, I believe no one person is more qualified to assume this

Cabinet post and continue along the same path of prosperity, than Nicholas F. Brady. His past accomplishments exemplify his commitment to serving the public interest. As a U.S. Senator he served on the Armed Services Committee and the Banking, Housing, and Urban Affairs Committee. He has served on a number of Presidential Commissions including the President's Commission on Strategic Forces, the National Bipartisan Commission on Central America, the Commission on Security and Economic Assistance, and the Blue Ribbon Commission on Defense Management. Mr. Brady most recently chaired the Presidential Task Force on Market Mechanisms. As a member of the Senate Banking Committee, I had the distinct pleasure of discussing this report with him during committee hearings on the stock market decline. During the course of these hearings, I was very much impressed by his composure, sense of humor, and willingness to provide straight forward answers to some very difficult questions.

Mr. President, I believe the administration has nominated a very capable individual to fill this position and I again wish to reiterate my strong support for the confirmation of Nicholas F. Brady as Secretary of the Treasury.

Mr. PACKWOOD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the hour of 1:30 having arrived, the question is, Will the Senate advise and consent to the nomination of Nicholas F. Brady, to be Secretary of the Treasury? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Missouri [Mr. DANFORTH], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Indiana [Mr. QUAYLE] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "yea."

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 2, as follows:

[Rollcall Vote No. 328 Ex.]

#### YEAS—92

Adams	Gore	Moynihan
Armstrong	Graham	Nickles
Baucus	Gramm	Nunn
Biden	Grassley	Packwood
Bingaman	Harkin	Pell
Boren	Hatch	Pressler
Boschwitz	Hatfield	Proxmire
Bradley	Hecht	Pryor
Breaux	Heflin	Riegle
Bumpers	Heinz	Rockefeller
Burdick	Helms	Roth
Byrd	Hollings	Rudman
Chafee	Humphrey	Sanford
Chiles	Inouye	Sarbanes
Cochran	Johnston	Sasser
Cohen	Karnes	Shelby
Cranston	Kassebaum	Simon
D'Amato	Kasten	Simpson
Daschle	Kennedy	Specter
DeConcini	Kerry	Stafford
Dixon	Lautenberg	Stennis
Dodd	Leahy	Stevens
Dole	Levin	Symms
Domenici	Lugar	Thurmond
Durenberger	McCain	Trible
Evans	McClure	Wallop
Exon	McConnell	Warner
Ford	Melcher	Welcker
Fowler	Metzenbaum	Wilson
Garn	Mikulski	Wirth
Glenn	Mitchell	

#### NAYS—2

Conrad

Reid

#### NOT VOTING—6

Bentsen  
Bond

Danforth  
Matsunaga  
Murkowski  
Quayle

So the nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. REID. Mr. President, I ask unanimous consent that I be allowed to proceed out of order as if in morning business for a period not to exceed 8 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

#### NUCLEAR WASTE

Mr. REID. Mr. President, the New York Times today carried a front-page story stating that the opening of the Nation's first permanent high-level military nuclear waste storage facility, which was to be located in New Mexico, is now being indefinitely postponed because of safety problems.

The delay in opening the so-called WHIPP facility in New Mexico has come about because oversight investi-

gations by the House Environment, Energy, and Natural Resources Subcommittee turned up evidence of possible unsafe conditions in the construction of the facility. For example, the national Academy of Sciences and other scientific groups are expressing concern about water leaks that have appeared in the vast underground cavern, which was designed to be "bone dry" forever.

What is most disturbing is that these safety concerns are not being raised by the Department of Energy, which is responsible for instruction and operation of the storage facility in New Mexico and, of course, is doing the characterization of the one in Nevada.

In fact, according to Subcommittee Chairman MIKE SYNAR, "there are more Energy Department people lobbying for authority to emplace wastes in the repository than there are making sure the facility is safe."

That is an astounding statement—that a Member of Congress and chairman of a major subcommittee states that the Department of Energy is more concerned about figuring out ways to place nuclear waste than they are concerned about how safe it is.

Mr. President, this is disturbing and frightening news for this Senator whose home State of Nevada has been politically singled out by this same Department of Energy as the site of the Nation's only permanent high level storage facility for commercial nuclear waste. Ultimately, Nevada will be asked to store more than 70,000 tons of high level nuclear waste.

What makes this revelation even more frightening is that, according to the September 9 issue of *Western Energy Update*, the nuclear industry is criticizing the Department of Energy because Yucca Mountain may be unable to accept spent nuclear fuel in 1998 as has been promised by the Department of Energy. The report says that if the Department is not able to begin accepting waste as scheduled, the utilities will seek financial damages from the Government, the U.S. Government.

Mr. President, it is clear that the Department of Energy has cut corners at the WHIPP facility in New Mexico in order to try to keep the Agency's politically sensitive program for modernization of its atomic weapon plants on schedule.

Fortunately, they have been caught, thanks to MIKE SYNAR. And it even says more about MIKE SYNAR who is a Member of Congress from a State that does not really have a nuclear waste problem.

The Department is under equally strong pressure by the nuclear industry to meet the artificially imposed deadlines for opening the civilian nuclear storage site at Yucca Mountain in Nevada. There is already evidence

that the Department is rejecting evidence relating to the site characterization at Yucca Mountain that they do not like. For example, in the Nevada papers yesterday there was a major statement by a number of scientists from the U.S. Geological Survey saying maybe it would be better if the Department of Energy just hired somebody so that they could get the answers that they wanted rather than depend on independent scientists like those from the U.S. Geological Survey.

We cannot allow this to continue. I don't believe that the leadership in Congress will permit the Department of Energy and the nuclear industry to put their wishes ahead of the safety of the public.

Mr. President, you and others will recall that I stood on this exact spot and spoke for hours about the fact that the burial of nuclear waste is unsafe; that there must be a determination made that it is safe. That has not been done. What has taken place in New Mexico only amplifies the statements that I previously made.

Mr. President, I intend to urge Energy Committee Chairman JOHNSTON and Environment Committee Chairman BURDICK to redouble their oversight efforts to insure that the Federal Government does its job of protecting the safety of the people in this country, rather than spending its time lobbying Congress to go along with its political agenda. Revelations such as those I have mentioned today only make me more adamant in my fight to slow down the headlong rush in Congress to force political solutions on the complicated scientific and technical questions of how to safely deal with nuclear waste.

#### CONGRESSIONAL SALARIES

Mr. STEVENS. Mr. President, over the course of my 20 years in the Senate, the matter of Senators' salaries and the acceptance of honoraria which supplement those salaries has been debated, discussed, and deliberated.

Since 1974, the Senate has voted 46 times on substantive, nonprocedural measures involving outside income restrictions, honoraria limitations, and our salaries.

A constitutional provision mandates that Congress set its own salaries. The process has become an agonizing one for Congress.

The costs of housing, food, education, transportation, and the other necessities of life continue to rise for all Americans. Attempting to keep pace with the cost of living by setting our own salaries has proved to be one of the most controversial issues Congress must consider. But it is presented us, time and again, and it comes up with

an almost damned-if-you-do and damned-if-you-don't situation.

Honoraria—compensation for speeches or articles—have also caused consternation for a long time within this body and outside of it. Legislation has been offered, and defeated, in the past to eliminate honoraria. The Senate has now put a cap that is a percentage of current salary on honorariums a Senator may earn.

Newspapers in my home State are raising the issue of the propriety—or, as some say, the impropriety—of accepting honoraria. Our colleagues in the House are discussing alternative salary scales and it is a good bet that it is a matter of discussion by citizens across our Nation.

The public is becoming disturbed. The time has come to once again review honoraria.

In the 98th Congress there was lengthy debate about an amendment offered by the distinguished Senator from Connecticut, Mr. WEICKER, to do away with honoraria altogether. Only six Members of the Senate—I was one of them—voted to support that measure.

Mr. President, in my judgment the Senate should take up the matter of substantially reducing or abolishing honoraria when we review the Quadrennial Commission's pay recommendations, which will be submitted to us in January, and work toward a salary scale that would bring congressional salaries in line with the private sector and either substantially reduce or abolish honoraria.

At this time I ask unanimous consent that editorials titled "Pay Congress for Service, Not Lunch," from the August 1 edition of the *New York Times*; "What are they worth?," from the June 21 edition of the *Anchorage Daily News*; and "The silver lining in a \$57,000 raise," from the December 22, 1986, edition of the *Anchorage Daily News*, be entered into the RECORD.

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

[From The New York Times, Aug. 1, 1988]

#### PAY CONGRESS FOR SERVICE, NOT LUNCH

Because of the crabbed, resentful public attitude toward paying public servants, voting themselves a raise can be hazardous to the political health of senators and representatives.

As a result, Congressional pay has remained inordinately low. Worse, that has held down salaries for Federal judges and other top officeholders whose pay scales are connected. And the result of that has been to encourage subterfuges like honorariums from businesses or interest groups.

Reform is badly needed: a substantial increase in Congressional salaries and a prohibition on honorariums and other such forms of outside income.

Representatives make \$86,283 a year and Senators \$87,483. In 1986 a commission recommended that both be paid \$135,000, a figure subsequently reduced by President



Reagan. Even so, members felt compelled to act as if they didn't want the raise; they voted to disapprove it, although the House awaited so long that its vote had no effect.

A new salary commission is to be appointed in October, with its report due in December. It can be expected to make recommendations similar to those of two years ago. A salary of \$135,000 a year for members of Congress would be perfectly justifiable and defensible—if Congress acts first to end the subterfuges.

Honorariums are the most glaring. Unlike members of the executive and judicial branches, who operate under much tighter restrictions, members of Congress can keep up to \$2,000 for an appearance, speech or article. "Earning" an honorarium frequently requires nothing more than having breakfast with industry lobbyists.

One recent study found that members of the Armed Services and Defense Appropriations committees received more than \$500,000 in honorariums last year from top defense contractors. It's all legal, but it still amounts to influence-peddling. Paying members of Congress an amount commensurate with their duties is desirable, especially if it eliminates honorariums of dubious honor.

[From the Anchorage Daily News, June 21, 1988]

#### WHAT ARE THEY WORTH?

Members of Congress think they aren't paid enough but know they will get kicked in the teeth if they attempt to raise their salaries. So how can lawmakers improve their pay without losing their jobs in the next election?

Rep. Dan Rostenkowski has a novel solution. The Chicago Democrat believes members should pick a salary between \$89,500, the current rate and \$135,000, the figure recommended by a recent federal commission on senior government officials' salaries. New members would accept lower salaries, veterans would seek higher salaries commensurate with their years of service, Rep. Rostenkowski reasons.

This salary structure would make lawyers' pay an individual compact between legislators and constituents. Members of Congress who think they are worth more bucks could take them—and let the voters ratify or reject the pay raise.

Unfortunately, Rep. Rostenkowski's simple solution creates new problems. Power and prerogatives are inequitably distributed in Congress, but pay is the same for everyone. Bitterness and envy will fill the halls if some members are paid almost 50 percent more than others. Members' pay will become an issue in every election in which an incumbent takes more than the minimum pay.

Rep. Rostenkowski is right. The nation's lawmakers should be better paid. But a new pay scale should promote equality, not the inequality inevitable in a pick-your-own-salary plan.

[From the Anchorage Daily News, Dec. 12, 1986]

#### THE SILVER LINING IN A \$57,000 RAISE

It would be tough for anyone to say "no" to a \$57,600 raise. But there's only one way members of Congress can justify the \$135,000 salary a federal pay commission has recommended for them: by swearing off other sources of income.

Congress now tolls under a pay system that's a scandal waiting to happen. Mem-

bers are allowed to collect more than \$20,000 a year in extra pay from the very interest groups that try to influence congressional votes. And few members let the opportunity pass. Nearly two-thirds of Senators and one-fifth of House members managed to collect the legal maximum, giving speeches, making appearances.

The extra-curricular fun doesn't stop there, either. By inviting members to speak in exotic locations, the interest groups can legally provide all-expenses paid vacations, too.

Congress has been reluctant to close off these moonlighting opportunities, even though they often result in missed hearings and floor business. The main argument for keeping these privately-financed fringe benefits has been that members don't get paid enough. That may be true, given the responsibilities and expenses inherent in the job. But if the congressional salary jumps from \$77,400 to \$135,000 next year, that rationale will disappear for good—and so should the system that lets members sell their services to special interests.

Mr. STEVENS. Mr. President, I thank the Chair. We will be hearing more and more about the subject of honoraria and salaries involved and the Quadrennial Commission's Report before this Congress is over.

#### TRANSFER OF VIDEO RECORDINGS OF SENATE PROCEEDINGS

Mr. STEVENS. Mr. President, I would now like to inquire whether it is possible if we might go into the subject of Senate Resolution 459, which concerns the transfer, storage, and availability of Senate tapes? And I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I inquire of the distinguished Republican leader if Calendar 901 has been cleared on his side?

Mr. DOLE. It has been cleared on this side of the aisle.

Mr. BYRD. I thank my friend.

I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 901.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 459) to provide for the transfer of archival quality video recordings of Senate proceedings to the Librarian of Congress and the Archivist of the United States and to clarify procedures for providing copies to Senators.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. FORD. Mr. President, at its meeting August 3, 1988, the Committee on Rules and Administration adopted Senate Resolution 459, and a set of regulations pertaining to the transfer of video recordings of Senate floor proceedings to the Library and Archives. The motion pertaining to the regulations provided that they would become effective upon adoption of the resolution by the Senate. Pending adoption of Senate Resolution 459, which authorizes the transfer of the Video recordings to the depositories, video recordings of floor proceedings have been held in storage in the Recording Studio and/or the National Archives and have been available only to the Vice President, Members, and committees of the Senate.

Senate Resolution 28, which was adopted last Congress to permit television coverage of Senate Chamber proceedings, does not authorize the transfer of copies of video recordings of the proceedings to the Library or to the Archives; it merely permits such transfer if authorized by the Senate at a later date and it suggests that there will be a fee paid by each depositor for such copies. Transfer of the video recordings to a depository is necessary to make them available to the public. The House transfers its video recordings to the Library and Archives without payment of a fee.

The present resolution requires that the video recordings be retained by the Recording Studio for 90 calendar days after the date of the recorded proceeding before transfer to either depository for access by the public. Due to this restriction, copies may not be provided to the public during the retention period. Also, there have been very few requests by Members for copies after 30 days. Therefore, the committee decided that the retention period should be reduced to 30 session days.

Although the entire section 4(c) of Senate Resolution 28, 99th Congress, has been redrafted in Senate Resolution 459 to clear up the language, the only substantive changes effected by the Senate Resolution 459 are those set forth below.

Senate Resolution 459 amends section 4(c) of Senate Resolution 28:

First, to authorize the transfer of video recordings to the Archives and Library of Congress without payment of a fee.

Second, to reduce the period such recording are to be held by the Recording Studio from 90 days to 30 session days.

The regulations adopted by the Committee, that will become effective upon adoption of Senate Resolution 459, elaborate on the provisions of the resolution and include procedures relating to it and to other provisions of Senate Resolution 28, including an-

other amendment adopted this session (S. Res. 341) pertaining to political campaign use of recordings.

The regulations provide that during the 30 session days period, the recordings are to be held by the Recording Studio for use of Members. While Members who obtain copies will be subject to the prohibition against political campaign use of recordings, they will not be required to sign an agreement to that effect.

The regulations provide that the Library and Archives must: First, require any person—including Members—except any news organization, who obtains a copy of a recording to sign an agreement not to use the copy for political campaign purposes; second, save such agreements for 2 years; and third, make the agreements available to the Committee on Rules and Administration or to the Secretary of the Senate upon request.

They also provide that the recordings will remain the property of the Senate and that they will be held by the Library and Archives in accordance with agreements to be entered into with the Senate, which will be subject to approval of the Committee on Rules and Administration. This procedure is similar to that of the House for transfer of its recordings.

I ask unanimous consent that the regulations adopted by the Committee on Rules and Administration be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

**UNITED STATES SENATE—COMMITTEE ON  
RULES AND ADMINISTRATION  
REGULATIONS AND PROCEDURES PERTAINING TO  
VIDEO RECORDINGS OF SENATE FLOOR PROCEEDINGS**

1. The Senate Recording Studio shall make at least two archival-quality video recordings of Senate floor proceedings and retain such recordings for a period of 30 session days after the date of such proceedings.

2. During that period, the Senate Recording Studio may, upon request, make additional copies for Members. Members who receive copies shall pay the fee set by the Committee on Rules and Administration and accept the copies on the condition that the copies will not be used for political campaign purposes.

3. After the 30 session days period, the Senate Recording Studio shall transfer the two archival-quality recordings to the Secretary of the Senate, who shall transfer one to the Library of Congress and one to the National Archives.

4. Audio and/or video copies of such recordings may be made by said depositories and distributed to any person or organization upon payment of such fee as the depository may set to recover the cost of copying, subject to the following conditions:

a. Any person or representative of any organization who receives a copy may not use such copy, or permit such copy to be used by any other party, for political campaign purposes.

b. Any person requesting a copy who is not representing a public or commercial news organization must agree in writing, as

a condition of receiving a copy, that such copy will not be used for political campaign purposes. Each depository is responsible for securing such a written agreement for all copies distributed by it. Signed agreements shall be retained for a period of at least two years and, upon request, copies thereof shall be delivered to the Secretary of the Senate or to the Committee on Rules and Administration. A suggested form of agreement is attached.

5. The Senate retains all property rights to the video recordings of Senate Floor Proceedings transferred to the Library of Congress and the National Archives and those depositories shall hold such recordings in accordance with the terms of an agreement to be entered into with the Secretary of the Senate, subject to the approval of the Committee on Rules and Administration.

Issued by the Committee on Rules and Administration, on \_\_\_\_\_, 1988.

Approved:

WENDELL H. FORD,  
Chairman.

TED STEVENS,  
Ranking Minority Member.

UNITED STATES SENATE—S. RES. 431 100TH  
CONGRESS, 2D SESSION

"Sec. 6. (a) The use of any tape duplication of radio or television coverage of the proceedings of the Senate for political campaign purposes is strictly prohibited.

"(b)(1) Except as provided in paragraph (2), any tape duplication of radio or television coverage of the proceedings of the Senate furnished to any person or organization shall be made on the condition, agreed to in writing, that the tape duplication shall not be used for political campaign purposes.

"(2) Any public or commercial news organization furnished a tape duplication described in paragraph (1) shall be subject to the provisions of paragraph (1) but shall not be required to enter into a written agreement."

I have been advised of the condition set forth in the above resolution and agree that I, and the organization I represent, will not use, nor permit any other person to use, the tape duplicate received by me for political campaign purposes.

Furthermore, in signing below, I do so with the understanding that copies of this agreement are available to the Secretary of the Senate or the Senate Committee on Rules and Administration upon request, pursuant to regulations and procedures issued by the Committee on Rules and Administration.

Date: .....  
Signature: .....  
Name: .....  
Address: .....  
Organization: .....

Mr. STEVENS. Mr. President, I commend the Senate leadership and the chairman of the Rules Committee, Senator FORD, for bringing Senate Resolution 459 before the Senate today. This resolution, which the Rules Committee reported to the Senate on August 10, 1988, provides for the transfer of television tapes of Senate proceedings to the Librarian of Congress and the Archivist of the United States. This will enable the Library of Congress and the National Archives to suitably store the tapes and to make copies of Senate television tapes available to the general public.

Three months ago, on June 7, 1988, the Senate agreed to Senate Resolution 431 regulating usage of the television tapes which would now be made available through the Archives and Library of Congress. Senate Resolution 431 provides that tape duplications of Senate television coverage is permitted for all purposes "except political campaign purposes." Under the provisions of the resolution, any individual or organization—with the exception of news organizations—who are furnished a tape of Senate proceedings must agree in writing not to use it for political campaign purposes.

Senator FORD has printed in the CONGRESSIONAL RECORD regulations adopted by the Rules Committee which will implement both Senate Resolution 431 and Senate Resolution 459, pending its approval today. I supported adoption of these regulations in order to implement the resolutions. However, as I stated in my additional views to the committee report on Senate Resolution 431, I do not agree with the restriction that any individual or organization who is furnished a tape of Senate proceedings must agree in writing not to use it for political campaign purposes.

I supported adoption of Senate Resolution 431, and its implementing regulations, because it moved the Senate in the right direction by easing restrictions on use of Senate television tapes. Prior to adoption of Senate Resolution 431, the governing resolution—Senate Resolution 28—had prohibited the use of tape duplications of television coverage "for any purpose outside the Senate."

However, I believe we should eliminate all restrictions on use of the tapes. While I certainly share the concern that these tapes not be used to represent unfairly the positions of a Senator or to undermine the integrity of the Senate, I do not believe that we can constitutionally interfere with any use of these tapes—including political campaign purposes.

Proceedings on the Senate floor enter the public domain the moment they take place. I believe that any prior restraint on the rebroadcast of public proceedings of our national legislature, for whatever purpose, is suspect under the strict scrutiny required by the first amendment to the Constitution.

Political speech or expression, including debates on candidates and public issues in upcoming elections, was found by the Supreme Court in *First National Bank of Boston v. Bellotti*, to be "at the heart of the First Amendment's protection." The Court in *Mills v. Alabama*, noted that "there is practically universal agreement that a major purpose of [the First] Amendment was to protect the free discussion of governmental affairs, of course



includ[ing] discussions of candidates. . . ." And as the Court observed in *Nebraska Press Association v. Stuart*, "the thread running through all these cases is that prior restraints on speech and publication are the most serious and the least tolerable infringement on First Amendment rights."

Therefore, I want to state for the RECORD that while I have supported adoption of both Senate Resolution 431 and Senate Resolution 459, and their implementing regulations, because they are a move in the right direction, I oppose the remaining restrictions on the use of the tapes of televised proceedings of the Senate. But I believe in the future we should give serious consideration to eliminating all restrictions on use of Senate television tapes and honor the first amendment entirely.

Thank you, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Are there amendments to be proposed? If not, the question is on agreeing to the resolution.

The resolution (S. Res. 459) was agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

#### S. RES. 459

*Resolved*, That subsection (c) of section 4 of Senate Resolution 28, agreed to February 27, 1986 (99th Congress, 2nd Session), is amended to read as follows:

"(c)(1) The Sergeant at Arms and Doorkeeper of the Senate shall—

"(A) employ such staff as may be necessary, working in conjunction with the Senate Recording and Photographic Studios, to operate and maintain all broadcast audio and color video equipment installed pursuant to this resolution;

"(B) make audio and video tape recordings, and copies thereof as requested by the Secretary under paragraph (2) of Senate proceedings; and

"(C) retain for 30 session-days after the day any Senate proceedings took place, such recordings thereof, and as soon thereafter as possible, transmit to the Secretary of the Senate copies of such recordings.

The Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in subparagraphs (A) and (B), shall comply with appropriate Senate procurement and other regulations.

"(2) The Secretary of the Senate is authorized to obtain from the Sergeant at Arms archival quality video recordings of Senate proceedings and, as soon thereafter as possible, transmit such recordings to the Librarian of Congress and to the Archivist of the United States."

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### TIME LIMITATION—AGREEMENT—MILITARY CONSTRUCTION APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate considers the conference report on the military construction appropriations bill, H.R. 4586, it be considered under the following time limitation:

Twenty minutes equally divided between Senators SASSER and SPECTER on the conference report and all amendments in disagreement.

Provided further that the Senate be permitted to concur en bloc with the amendments of the House to the amendments of the Senate and that the Senate be permitted to recede from amendment No. 41.

Mr. STEVENS. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Alaska, the acting leader.

#### AUTHORIZING THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized to make technical and conforming changes with respect to the engrossment of the bill, S. 2382, which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the Senate passed on Friday, September 9, S. 2382, to delay the implementation of a certain rule affecting the provision of health services by the Indian Health Service, and so the request would give the Secretary of the Senate the authorization to make technical and conforming changes with respect to the engrossment of that bill.

#### PRINTING OF A HISTORY OF THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

Mr. BYRD. Mr. President, on behalf of Mr. BURDICK and Mr. STAFFORD, I send to the desk, and ask for its immediate consideration, a resolution authorizing the printing of a history of the Environment and Public Works Committee.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 471) authorizing the printing of a history of the Environment and Public Works Committee as a Senate document.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 471) was agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

#### S. RES. 471

*Resolved*, That a history of the Environment and Public Works Committee be printed, with illustrations, as a Senate document.

Sec. 2. There shall be printed additional copies of such document, the number of which shall be determined by a one thousand two hundred dollars (\$1,200) maximum expenditure, for the use of the Environment and Public Works Committee.

Sec. 3. Printing and binding of said document shall be done in the manner as shall be determined by the Joint Committee on Printing.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### FIFTIETH ANNIVERSARY OF THE PASSAGE OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be discharged from further consideration of House Joint Resolution 600, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 600) to commemorate the fiftieth anniversary of the passage of the Federal Food, Drug, and Cosmetic Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 600) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### APPOINTMENT OF CONFEREES— H.R. 1315

Mr. BYRD. Mr. President, I move that the Senate insist on its amendment to H.R. 1315, the Nuclear Regulatory Commission reauthorization bill, and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. CONRAD) appointed Mr. BURDICK, Mr. BREAUX, Mr. REID, Mr. STAFFORD, and Mr. SIMPSON; and only for the purposes of the provisions of title I, Mr. GLENN and Mr. ROTH; and only for the purposes of the provisions of section 112 of title I, relating to the construction authorization for the nuclear waste repository, Mr. JOHNSTON and Mr. McCURE; and only for the purposes of the provisions of title IV concerning "The Uranium Revitalization, Tailings Reclamation and Enrichment Act of 1988," Mr. JOHNSTON, Mr. FORD, Mr. BINGAMAN, Mr. McCURE, and Mr. DOMENICI.

#### BILL PLACED ON CALENDAR— H.R. 5150

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate receives from the House H.R. 5150, a bill to revise the authority for the regulation of clinical laboratories, it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank my friend, Senator STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WIRTH). Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent that I might proceed as if in morning business for not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### ELIZABETH LORNA ANN SIMPSON

Mr. SIMPSON. Mr. President, it is not my usual bent to come before my colleagues with a truly singular and personal item—but we have a few extra moments of time here—and there has been a rather unique and memorable event in the lives of myself and my wife Ann, found amid the clatter and the shot and shell and the grapeshot that we wend our way through as we do our work in the Senate. I thought I might just share with you, as we have those few moments of time—I would not take that time ordinarily—that yesterday as I was visiting with the majority and minority leaders, planning and assisting to see if we could reach an agenda for these next days, I was handed a note which said simply, "It's a baby girl." Not mine, mind you! And it said, "Call son Bill ASAP,"—soon as possible.

Well, there was quite a lump in the throat for me, for he was our first born and he and his dear wife Debbie now present us with our first-born grandchild. And Debbie is the kind of daughter-in-law you would hand pick for yourself as a father-in-law. Now, that is quite a surge, I can tell you. I believe the phrase they use in these times from a different substance is "a rush"—like something, I am sure, which could come from some chemical potion. And so in a quick phone visit with the mother Debbie and father Bill—apparently granddaughter was not speaking; for she was nursing at the time, just hours after her birth—I was told that she is a lusty communicator, which obviously puts her on a par with all of the Simpsons of whom I have ever been aware.

And so appeared alone on the Earth at 11:30 a.m. on September 13, 1988, one Elizabeth Lorna Ann Simpson. Anyone doubt that it will be simply "Beth"? Of that I am quite certain. So beautiful Beth joins the race, the human race, a new name, a new person—"Elizabeth" a selection of the mother and father, "Lorna" my mother and "Ann" my wife, joining a host of Simpsons of the past and present.

Surely that must be the ultimate experience for a woman, a birthing, so, too, for her spouse to be there at her side throughout the experience as son Bill was. To hear them both describing this remarkable child in some detail was quite an experience.

So Ann and I are richly pleased, touched, tingly. She joins, too, her great grandparents, my strong father who served in the Senate, Milward L. Simpson, who is in his 90th year, and my dear mother, Lorna, the great grandparents of this obviously remarkable child. And Debbie's parents I know are thrilled too. The Persins of Ohio, lovely people. I shall continue to cohabit with the lovely grandmother,

Ann, and this adds a new dimension to our same but ever different relationship, and it will be great fun.

So welcome to Beth. We love having you join us from your warm and dark cocoon into the bright world of Sun and loving hands to nurture you. So, with that, God bless this child.

#### THE FIRES IN YELLOWSTONE PARK

Mr. SIMPSON. Mr. President, now a few words, if I may, about an issue which is commanding national attention, and that is the fires in Yellowstone Park—a tough, tough issue. I grew up in Cody, WY, 52 miles from the east entrance of Yellowstone Park. And I know the ecosystem intimately. I have backpacked it, I have horsebacked it, I have hunted it, I have relished in it, I have loved it.

The raging fire that has occurred this summer is one of the most startling, devastating, and dramatic disasters that has occurred in the Western United States since the eruption of Mount St. Helens. The conditions inside the park that helped to contribute to the size and range of the ongoing fires were readily apparent to all of us in Wyoming. It was an extraordinarily dry year. There was no question about that. And the Park Service had let the "fuel load"—that is a euphemism—I do not like to use it. I think the corps of officials use it. That means there are logs all over the ground. They are dry, and they burn to beat the band. It is called "fuel load" however. It was building to a point where it was like having an ancient attic filled with old crumpled newspapers waiting for a spark to ignite the whole pile.

Interestingly enough, in Teton County where we have a very responsible county commissioner crew of businessmen, environmentalists, bright people—in June, right next to the park they were indicating drought conditions of the rarest form, and requesting assistance for hay, the harvesting of hay, and drought assistance. Yet, apparently the Park Service people were not heeding that either.

Even though the forest and the park authorities knew that the area was an absolute tinder box, the Park Service continued with its "let burn" policy which allows lightning-caused fires to burn uncontrolled inside the park. Man-caused fires are to be suppressed. At least that is the general theme of policy.

It is that type of "passive" management which led us to the disastrous situation that we are facing today. Nearly a million acres of the park are burning or have burned. Yes, some are in the mosaic, but nevertheless, they have.



When you are given that figure of 900,000 acres in a 2.2 million-acre park, think of the scope of it. And then take out of the puzzle or the picture a lake within the park, which is 100 miles around the shoreline. Then you will really know how much timber has burned. A tremendous, tremendous amount of resources burned.

Well, the result is what we see, and what you see on the television every night. But in addition to that, there are some other things that we do not see on television. The air pollution produced in the form of carcinogens and particulate matter dwarfs the pollution that all of us talk about day and night in here about our atmosphere. The occupant of the chair has been very vitally interested, and I commend him on what he is doing with the issue of the warming trend, the greenhouse effect. In one great cataclysmic eruption you see a cloud of smoke go to the altitude of 40,000 feet, form its own cloud formation, and then its own lightning bolts flashed back there to the Earth, you know that you are seeing nature in its rarest form.

So the particulate matter and pollution has dwarfed all the pollution that could be caused by the 10 dirtiest cities of the United States over the entire summer. And the smoke is drifting to Pennsylvania and to Los Angeles. The heavy air pollution covers four States. It has affected asthmatics. It is causing healthy individuals to breathe cancer-causing chemicals and particulates in amounts that might actually be very threatening to the public health.

Then, in addition, the economic dislocation caused by the fires has severely stressed businesses in and around Yellowstone Park to the point where some will indeed go bankrupt as a result of a very poor tourist season, or hunting season, or just tourism in general.

Just a brief history of the let-burn policy, if I might. Several years ago the Park Service took what was known as the Leopold report which stated that Yellowstone should be managed in a "natural" manner. It formulated then a parkwide policy based on a hands-off, passive management. It matters not in what administration that happened because if the parks and the forests are being managed properly it should not matter who is President or who is not President. Leave that to the professionals. We did leave them all the tools to do what we thought they would surely do.

So this Leopold report was presented, this "hands-off, passive management" report. The result has been that Yellowstone may well have been destroyed by the very people who were assigned to protect it. I use the word "destroy." Others say no, it is an untrue statement. It is regeneration. I understand that. I understand what

regeneration is. But also understand reality. When you go out in your yard and you spill the gas out of your power mower on the grass, and somebody may come along and light it, or it accidentally does so, you then tell me how long it takes to grow anything in that kind of sterilized ground.

Let me tell you, colleagues, the ground is sterilized. It is blackened to the very depths of any root system within it. It has not only burned the south slopes which ordinarily burn in any kind of fire. It is burning the north slopes with the same degree of intensity, power and inferno-like capacity as it burns the south slopes, which is startling to us all because all through the north slopes and where the trees gather the moisture and the snow, and hold it tight—longer than it is held on the south slope then as the spring comes the runoff is less drastic when the first snows are held there on the north slopes. Those slopes are just as devastated this year as any south slope has ever been devastated which is puzzling and very, very disturbing to professional managers.

Then remember that you have an area in an ecosystem which is some 7,000 to 8,000 feet in altitude. You can surely revegetate and regenerate in a California fire with a growing season of 8 months or 9 or 10. You cannot regenerate in an altitude of 7,000 or 8,000 feet where the growing season is 30, 40, or 50 days; that is what you have in this unique part of the world.

And the Leopold report also suggested that the park should be turned into a reasonable illusion of primitive America, while ignoring the fact—this is the one that seems to slip the cog of most people who deal with this issue—that 2½ million people come to Yellowstone Park each year, and Grand Teton National Park; 2½ million. A half million people go down the main street of Cody, WY, each year. A million and a half people go through the streets of Jackson Hole, WY, and West Yellowstone; to lesser degrees in Gardiner, and all the entrances to the park, Cooke City and Silver Gate, which are now nearly destroyed. At least everything around them is destroyed. They have not been destroyed, and God willing, that will not take place. But if the winds shift and the humidity goes down, and remember that fire season to those of us in the West is usually from Labor Day to October 15, or the first big snow. That is usual fire weather. Well, that is just now here. That has just arrived.

Then, if you can keep it in perspective, remember that the Yellowstone National Park was set up by the Congress after reviewing the magnificent artwork of Thomas Moran, and the people coming back and telling about what was there. So it was set up in 1872 as a pleasuring ground for the enjoyment of the American people. That

is what it says in the organic act. It was not set up as a biological study ground. It was set up as a pleasuring ground for the people of the United States.

So the Leopold report basically replaced science with nostalgia and some atavistic desire to return to some other time.

Today, we are seeing the result of this erroneous collection of whimsical and dew-eyed assumptions.

The Leopold report proposed a fire management policy which became a ticking time bomb. By allowing small areas to burn when lightning struck, the park was setting the forest up for a giant inferno by allowing the overly mature pines, great stands, to accumulate deadwood over a vast area. One hundred thousand or two hundred thousand of those trees can grow on 1 acre, stuffed together. Wind creation will cause them to fall. They are a unique and remarkable tree, but not hardy in the root.

So the management of Yellowstone could have been and should have been different. I am not calling for anyone's head in this process. I have said, though, that if the Secretary of the Interior gives an instruction that all fires will be suppressed—and he gave that order in June, and we know that it was not carried out—I do not believe that failure was done by the Superintendent of Yellowstone National Park, a man named Bob Barbee, for whom I have great admiration.

I have watched him work with the "gate way" communities, watched him come into the chamber of commerce meetings, and put himself on the line. One of the first things he said to me this late summer was: "Tell the people of Cody I am coming in for a meeting as soon as things calm down." They will have quite a reception ready, and he will handle it well.

I think it is his superior, and that is the Director of the parks, the National Park Service, and that is Mr. William Mott. I say, simply, that if the Director does not carry out the directives and instructions of the Secretary of the Interior, he or she should be sacked, whoever it is. If that is part of the mix, then I think that states my case very well.

So the park had a tool which they never used, or seldom used, called prescribed burning, in order to burn out overly-mature stands of pine trees, and to clear out deadwood that contributed to fuel for large, unmanageable forest fires.

By using these techniques, the park could have enhanced the grizzly bear habitat. There is no question that the only clear winner in this entire unfortunate experience is the grizzly. The grizzly will obtain a new habitat, which is right down the pike as to their particular needs—sedges, mead-

ows, clear areas. They are the winners. That is not bad.

I still believe that this ecosystem for bears is tough, when you have 2.5 million people running around in the woods. We have 243 bears, and probably this will double that population, and I still say that is pretty tough on the bears, because the humans will win that one. There are tens of thousands of those animals in Canada and the Yukon, and they are not an endangered or threatened species outside of that Yellowstone habitat. So they will be the winners, and the prescribed burn could have done much for them.

At the same time, the prescribed burn could have reduced the fuel loads in order to prevent the inferno rate we see this summer.

How ironic that one of the things about prescribed burning is that you then burn the park in a mosaic of 250 acres or 3,000 or 2,500 at a time, and then the forest stands grow, instead of what we will now have 200 years from now or 300 years from now—another entire similar growth pattern, with the same continual climax of exit and fuel buildup as we have had here.

The Park Service could have actively fought these lightning-caused fires early in the season with all available effort and resources, and this surely would have reduced the scope of the fire. Since the dry conditions were so well known, no fires should have been allowed to burn this year, except in the spring and the fall, and that could have been done with the prescribed-burn policy, which they have had in their arsenal of activity since 1972.

I do want to commend the President, who I visited with on behalf of the delegation, with my fine Senate colleague, MALCOLM WALLOP; my able congressional colleague, DICK CHENEY; and the Governor of Wyoming, Mike Sullivan, a friend I have known for many years. I visited with him just recently, and always continually with the delegation. Some designations will be made. We will be working with the Governor and the Federal authorities to see that things are done, and done properly.

The President then requested the Secretary of the Interior and the Secretary of Agriculture and William Taft, the Deputy Secretary of Defense, to go there. We met with them on the ground and saw the things that so troubled them, as they reported them to the President yesterday.

We shall wait now and see what the President will further define as to emergency or disaster, and that will await some furnishing of further information by the State and by the Federal authorities.

I expressed to him the need to ensure that no policy restrictions exist anymore on fighting existing fires and that every possible method, including slurry bombers and bulldozers, be used

to control existing fires. They are only dampened now and will move on as the weather warms and the southwest prevailing winds come.

There have been some out in the park, some of the midlevel rangers, who have not really been thrilled by the thought of putting everything out. Those names will come up in the hearings.

The Secretary assured us that every effort will be made to "pull out all stops" on the fires in Yellowstone, and that is being done. Marines are coming in from Camp Pendleton, as well as new firefighters, fresh firefighters, and slurry bombers from Canada.

I thank my Senate colleagues for passing legislation several nights ago which took care of the issue of allowing us to use Canadian slurry bombers and fire personnel in the wilderness. That is another irony, because we had authority always to bring heavy equipment into the wilderness to fight fire. Some have said, "You can't bring bulldozers in here." We said, "Yes, we can."

Mr. President, I ask unanimous consent to have printed in the RECORD the statutory citation of the authority to bring any means to bear to fight fire within the wilderness, which includes, at the discretion of the Secretary, heavy equipment.

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

United States Code, title 16, Section 1133(c): "In addition, such measures may be taken as may be necessary in the control of fire, insects, and diseases, subject to such conditions as the Secretary deems desirable."

Mr. SIMPSON. Mr. President, I realize that my time has expired; and if there is no objection, I ask unanimous consent to continue for an additional 5 minutes.

The PRESIDING OFFICER (Mr. WIRTH). Without objection, it is so ordered.

Mr. SIMPSON. So let us just say that the Government is making an all out effort to put out the existing fires. People must know that. It is true. We are assured of that.

I am also contacting all appropriate agencies in order to discern that the types of active disaster and emergency relief efforts that are available to citizens of Wyoming, Montana, and Idaho.

The residents of the counties affected by the forest fires must now face the grim realization of the economic tragedy which the fires have wreaked upon their business.

Faced with the gut-wrenching prospect of not being able to make their mortgage payments, my constituents are looking then for assistance from the Government that caused this result. There are many options available. We are purviewing them all. But

one which will soon be available to eligible small businesses is the federally subsidized economic injury disaster loan. The Small Business Administration is authorized to guarantee loans to victims of economic injury caused by a physical disaster such as the one I cite.

At this time we will also be considering what types of reclamation efforts that are going to be needed to assist nature in recovering in the Yellowstone ecosystem. Obviously firebreaks plowed by dozers, stumps from the hand line control, truck tire marks through the meadows of the Yellowstone Park will have to be repaired in some way, and I think they should. It may also be required that we have revegetation and reforestation in certain areas along the roadways. If you have a road no one can tell me that then you have "wilderness" that cannot be revegetated at least in some portion.

Special measures will be made to protect sensitive trout streams in the area, and I trust that the Park Service, the Fish and Wildlife Service, and other appropriate agencies are beginning to think along those lines.

Mr. President, I think it is especially important that the Interior Department initiate a policy review of Yellowstone Park policy. We can no longer afford a policy which adheres to the tenets of the Leopold report. It is no longer safe or sane to continue with a policy based on some handoff, passive management. We now need active stewardship in Yellowstone in order to prevent another disaster in the future. A public policy review of Yellowstone Park policy is long overdue. In years past we have had all of these similar controversies with grizzly bear management, the prospects of wolf reintroduction, restrictions on boating in Yellowstone's south arm then caused by the fact that they said that the wake from the boats would cause erosion on the shores, which is the most bizarre exercise in logic when you consider that one afternoon windstorm in the summer will curl up a wave of 7 feet.

So those are the things that people get troubled about.

And restrictions of public access within the park because of a grizzly bear winter denning while they are down underneath 4 feet of snow—those are troubling things to sensible people.

So I think it is time we quit playing God in Yellowstone and start playing active, reasonable, and sensible land manager, called stewardship. It is time we formulated a policy with an emphasis on active stewardship, live hands-on stewardship, not some flight of biological and scientific fancy.

Reality demands the Yellowstone Park policy change.



Finally, I pay real tribute, and this is the thing that really gets forgotten, real tribute to the men and women out there on the line. No one ever takes a picture of them except showing them briefly. The men and women on the line, and the people running the laundries, the mess, the food service, the entertainment trying to have a video setup in an old tent. They call that the Crandall Theater up in Crandall, WY, a tent with a video set and a small stove. To those men and women who have been on the ground fighting those fires all summer, they have missed funerals and births and one even missed his wedding while he was involved in the fighting of those fires. I have no other information on that as to what has happened since that occurred, but certainly there was some interesting discussion with his spouse to be.

No work is more demanding than being right on the ground next to an extremely hot fire, a burning tree, trying to dig fire lines, saw trees, shovel dirt, cut off limbs in the midst of burning embers and a wind of 50 miles an hour.

So the men and women of all agencies that have contributed to this effort are really the unsung heroes of the summer. Those dedicated firefighters literally worked until they dropped and many did drop, and they battled the blazes in the harshest and most dangerous conditions that the public could imagine. And no one died. Yet they received little attention from the press and the public. Their hardiness and resolve are deeply appreciated by all of us and they fought a hard and tough battle for all of us. It must be just as frustrating to them as it is to all of us. But we are thankful for their efforts.

I thank the leader for his additional time.

I yield the floor.

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas.

#### ORDER OF PROCEDURE

Mr. DOLE. Mr. President, earlier today I reserved my leader's time. I will proceed on that basis.

#### CHINESE ARMS SALES

Mr. DOLE. Mr. President, last week, Secretary Carlucci completed some important discussions with Deng Xiaoping and other Chinese officials in

Beijing. In his meetings, I am pleased that he had the opportunity to raise with the Chinese the critical issue of their arms sales policy in the Middle East.

However, I—and I am sure many other Senators—are concerned by his comments at the conclusion of these meetings, at least as they were reported in the media. According to those accounts, Secretary Carlucci stated that he was "fully satisfied" with Chinese assurances about its arms sales policies, and he believes they represent no impediment to expanded security ties with, and technology transfers to, China.

Frankly, however, many of us in the Senate remain skeptical about Chinese arms sales policies and disturbed by past arms transfers to Iran and Saudi Arabia, among others.

It wasn't too long ago—July 26—that the Senate agreed to a resolution which I authored by a vote of 97 to 0, condemning past Chinese arms sales to the Middle East, and reported discussions with Syria, Libya, Iran, and Iraq regarding the future sales of M-9 short-range ballistic missiles and other armaments.

The resolution concluded that if the Chinese did not stop selling arms to the Middle East, we should reexamine agreements or contemplated agreements providing for arms and technology transfers to the People's Republic of China.

I firmly believe the Senate—and the American people—deserve to know more about the nature of these assurances before the United States commits to further military and technology transfer agreements with China. Accordingly, I have sent a letter to Secretary Carlucci requesting that he provide us with more information about his discussions with the Chinese on this important national security issue.

Finally, I would urge the administration to hold off on signing any new agreements with China until the Senate and the American people have had a chance to see some evidence that China is indeed living up to its assurances.

Mr. President, I ask unanimous consent that a copy of my letter to Secretary Carlucci and an article and editorial on the subject from the September 8 Washington Post be printed in the RECORD.

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

U.S. SENATE,  
Washington, DC, September 14, 1988.  
Hon. FRANK C. CARLUCCI,  
Secretary, Department of Defense, the Pentagon,  
Washington, DC.

DEAR MR. SECRETARY: I have noted press accounts of your comments following discussions with Deng Xiaoping and other Chinese officials regarding Chinese arms sales to the Middle East and new military tech-

nology exchange programs. According to these accounts, you are "fully satisfied" with Chinese assurances about its arms sales policies and believe they represent no impediment to expanded security ties with and technology transfers to China.

I am pleased that you raised the arms sales issue in your meetings, and look forward to receiving additional information about the nature of these assurances.

Frankly, however, many of us in the Senate remain skeptical about Chinese arms sales policies and disturbed by past arms transfers to Iran and Saudi Arabia, among others. As you know, on July 26, the Senate passed a resolution (97-0) condemning past Chinese arms sales to the Middle East and reported discussions with Syria, Libya, Iran and Iraq regarding the future sale of M9 short-range ballistic missiles and other armaments. The resolution also called for a reexamination of current and contemplated agreements for arms and technology transfers to the PRC, if Chinese arms sales to the Middle East are not discontinued.

I look forward to hearing from you on this important national security issue.

Sincerely,

BOB DOLE,  
U.S. Senate.

[From the Washington Post, Sept. 8, 1988]

CHINA ASSURES CARLUCCI ON MIDEAST ARMS SALES—PEKING SEEN CURBING MISSILE SUPPLY ROLE

(By Daniel Southerland)

BEIJING, Sept. 7—Defense Secretary Frank C. Carlucci said today following talks with Chinese leaders that he feels "fully satisfied" China will behave in a "thoroughly responsible way" in its weapons sales to foreign nations.

"In my opinion, these are the best discussions we have ever had on this subject, and I hope that we can now put this issue behind us," Carlucci said at the end of two days of talks here during which he raised U.S. concerns about Chinese missile sales to the Middle East.

U.S. officials accompanying Carlucci said the willingness of the Chinese to discuss their arms sales policy in depth was a significant development and had helped to assure him that China will not be selling more intermediate-range missiles to Middle East nations beyond those already sold to Saudi Arabia.

The United States considers such missiles to be dangerously "destabilizing." The missiles sold to the Saudis are capable of striking Israel. This and a fear that the spread of such missiles could be accompanied by development of a chemical weapons capability threatening the entire Middle East region have caused great concern in the U.S. government.

Carlucci's remarks were the most positive to be made by a senior U.S. official regarding Chinese weapons sales.

American concern was first aroused more than a year ago when U.S. officials accused China of selling Silkworm missiles to Iran that Washington said threatened U.S. ships patrolling the Persian Gulf.

China denied selling the missiles to Iran but promised to take steps to prevent its missiles from being diverted there.

Carlucci would not go into detail as to how the Chinese had convinced him that they were taking a "responsible" approach to Middle East arms sales. But a U.S. official accompanying him said it was China's top leader, Deng Xiaoping, who gave the

most convincing arguments in a meeting with Carlucci today.

According to the official New China News Agency, Deng told Carlucci, "Here you can see with your own eyes that China is a trustworthy and responsible country."

Speaking at a press conference, Carlucci said Chinese leaders emphasized that they would never sell nuclear weapons to foreign nations and want to pursue policies that contribute to peace and stability.

Following the controversy over Silkworm missile sales to Iran, the Reagan administration had frozen further liberalization of high technology sales to China. But once the administration was convinced that China was halting further sales and exercising a restraining influence on Iran, it ended the freeze.

Members of the U.S. Congress continued to show concern, however, particularly once it was learned that China had secretly arranged to sell Saudi Arabia ballistic missiles with a range of up to 1,600 miles.

In mid-July, the Chinese told Secretary of State George P. Shultz that they had not sold ballistic missiles to any country other than Saudi Arabia. But the administration apparently felt this fell short of a pledge to halt any further such sales.

Apparently signaling that the United States now feels more assured, Carlucci said that U.S. defense experts are discussing with Chinese counterparts new programs that would transfer more military technology to China's Army and Air Force.

The United States is already providing military technology in a number of areas, including electronics for Chinese Air Force interceptors, torpedoes for the Chinese Navy, and the know-how for the production of Army artillery fuses.

Carlucci also said he had no objection to China's plans to launch U.S. commercial satellites on Chinese rockets.

Carlucci continues his visit Thursday with a trip to the ancient city of Xian. He ends it Saturday with the inspection of ships and a naval base near Shanghai.

#### CHINA'S MISSILES

China's sales of long-range missiles to Middle Eastern governments increase all of the obvious dangers there. Frank Carlucci, the secretary of defense, brought up the missile business in his talks this week with the Chinese. China's defense minister brushed off the subject with the familiar "Who, us?" response. That's not a promising sign.

China claims that it never sold Iran the Silkworm missiles that Iran has now trained on the Persian Gulf shipping lanes. If that's true, it means that China has been selling the Silkworms to third parties with no conditions on resale—an implication that is, if anything, more disturbing than a direct deal with the Iranians. China has also sold Saudi Arabia missiles with a range of more than a thousand miles and the capacity to carry nuclear warheads. Other Middle Eastern countries also appear to have Chinese-built missiles. China doesn't seem to care much to whom it sells, as long as they are not within missile range of China's own borders.

It's getting harder to control the international traffic in high-technology weapons. Until recently, there were only a few sources of missiles—this country, the Soviet Union and Western Europe. But those governments are becoming uneasily aware that as a threat the missiles rank second only to nuclear weapons. Last year the United States and six of its allies announced tight

restrictions on missile sales, and the Russians have become increasingly cautious.

As a result, several Third World countries are finding that they can earn very large amounts of hard currencies by providing missiles to other Third World countries. China isn't alone. North Korea is reportedly helping Egypt develop missiles. Brazil, which is emerging as one of the world's leading manufacturers of armaments, has apparently sold Libya missiles, scheduled to be delivered in a couple of years, that by some accounts will be able to reach Cairo and Jerusalem.

But if China isn't the only purveyor, it is the leader. As long as the Chinese remain impervious to American concerns about their missiles, pressure will grow in this country to reconsider the sale of American military technology to them.

#### ORDER OF PROCEDURE

Mr. DOLE. Mr. President, from time to time we discuss, since this is the 100th Congress, a so-called bicentennial minute, things that have happened over the years in the U.S. Senate that may be of interest to those who read the *RECORD* and our colleagues and others who watch the Senate proceedings.

#### BICENTENNIAL MINUTE

SEPTEMBER 14, 1951: SENATOR DOUGLAS FIGHTS FREE HAIRCUTS

Mr. DOLE. Mr. President, 37 years ago today, on September 14, 1951, the U.S. Senate debated the weighty issues of whether to eliminate free shaves and haircuts for Members from the Senate barber shop. Senator Paul Douglas of Illinois, a vigilant watchdog over the public treasury, had gone down to the barber shop for a much-needed haircut. After the barber had done his work, Douglas began to think that his income was ample enough to pay for his own haircut—which then cost a dollar and a quarter—and not charge it to the taxpayers. So he introduced an amendment to that year's legislative appropriation to cut off funds for the barber shop unless it began charging its senatorial customers.

Speaking for the Legislative Appropriations Subcommittee, Senator Carl Hayden of Arizona began by complimenting Senator Douglas on his excellent haircut. He then recounted this story:

I can very well recall that when I first came to the Senate, a very active reporter in the Press Gallery decided that Senators must pay for their haircuts. He wrote article after article on that subject for the newspapers. At that time, being a new Senator, I was somewhat disturbed by the publicity and inquired of some of the other Senators to see what might be done about it. I went to the honorable William Edgar Borah, a late Senator from Idaho, who then had been in the Senate a long time and was very highly respected. I asked him what we should do. Senator Borah said, "You tell that reporter to go to the devil. I want the

same service that was received here by Henry Clay and John C. Calhoun."

After a good laugh, the Senate shouted down Senator Douglas' amendment, and the free haircut survived. I want to assure taxpayers, however, that today Senators pay their own way when they have their hair cut, as Senator Douglas tried and failed to accomplish 37 years ago this day.

Mr. President, I reserve the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MILITARY CONSTRUCTION APPROPRIATIONS, FISCAL YEAR 1989—CONFERENCE REPORT

Mr. SASSER. Mr. President, I submit a report of the committee of conference on H.R. 4586 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4586) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conference.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the *RECORD* of September 9, 1988.)

Mr. SASSER. Mr. President, I am pleased to bring before the Senate the conference report on this military construction appropriations bill for fiscal year 1989. I would state to the Senate, Mr. President, that the conference report is within the 302(b) budget allocation for both budget authority and outlays.

Mr. President, the military construction appropriations bill provides \$9.011 billion in new authority for fiscal year 1989.

The conference report is the product of many compromises between the House and Senate. This year we had more than 300 project and language differences between the House and Senate which totaled \$500 million.

The report we are presenting today, represents a good product. This bill



takes care of our most pressing military construction needs, while, at the same time, recognizing the overall need to moderate spending to reduce this Nation's very large budget deficit.

Mr. President, the conferences have made a number of changes in the priorities presented in the President's original budget submission.

Specifically, we have increased funding, I am happy to report to my colleagues, for the National Guard and Reserve by more than \$130 million or almost 28 percent.

I hope the Department of Defense will, in the future, pay more attention to the needs of our Nation's very vital National Guard forces and our Reserve forces. As we move in the direction of stabilizing defense spending, we are simply going to have to rely more and more on the National Guard and the Reserve to perform some of the roles and functions that are now performed by the regular military formations.

We have also reduced spending at overseas bases by almost \$215 million.

Mr. President, while we have provided funding for important mission-related and important quality-of-life projects overseas, we have taken a substantial reduction in the lower priority military construction projects overseas.

We have made these reductions to indicate our continuing concern to our friends and allies of the need on their part to provide additional contributions to the common defense of the free world and to place less reliance on the American taxpayer.

Specifically, we believe our allies can begin to provide expanded assistance in the cost of constructing and maintaining family housing, dependent schools, and community services.

I hope that officials at the Department of Defense will continue to utilize the task force on burden sharing as an effective tool in securing new contributions toward the common defense of the free world from our allies.

Mr. President, the conferees have also addressed another burden-sharing issue in the conference report, that of our allies providing untied loans to the Soviet bloc.

This practice by our allies, especially Japan and West Germany, is increasing the defense burden of the free world.

Mr. President, the administration, in the judgment of this Senator, fails to recognize the significance of this issue. I am hopeful that the language in the conference report will help to stimulate new action by the administration to urge our allies to end this unwise practice of loaning very large sums of money to the Soviet bloc with no strings attached.

Mr. President, I ask unanimous consent that a table entitled "Budgetary

Impact of Conference Report" be printed in the RECORD.

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

#### BUDGETARY IMPACT OF CONFERENCE REPORT

(In millions of dollars)

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1989: Subcommittee on Military Construction.....	9,011	9,011	8,071	8,065
Projections of outlays associated with budget authority recommended in the bill:				
1989.....				2,618
1990.....				2,965
1991.....				1,704
1992.....				805
1993 and future year.....				706
Financial assistance to State and local governments for 1989 in the bill.....		108		13
			Direct Loan	loans guarantees
Credit authority estimates, fiscal year 1989.....				

<sup>1</sup> Includes outlays from prior-year budget authority.

<sup>2</sup> Excludes outlays from prior-year budget authority.

Source: Prepared by the Congressional Budget Office pursuant to sec. 308(a), Public Law 93-344, as amended.

Mr. SASSER. Mr. President, I am delighted now to yield to the ranking minority member for any comments that he might have. I might say to my colleagues that it continues to be a pleasure to work with the ranking minority member, the distinguished Senator from Pennsylvania, Mr. SPECTER. His contributions to the excellent end product here have been significant.

I now yield to my distinguished colleague.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Tennessee, Mr. SASSER, for those very generous remarks. Reciprocally, I compliment the chairman of the MilCon subcommittee on appropriations for the outstanding job which he has done during the course of the past year on the hearings, the markup, the passage of the bill before this body, and the conference.

I am pleased to support the conference agreement on H.R. 4586, the military construction appropriations bill for fiscal year 1989.

As Senator SASSER outlined, this legislation will provide the Department of Defense with slightly in excess of \$9 billion for the construction of various facilities to support the missions of the Defense Department; and also provide for the construction of, improvements to and operation and maintenance of the family housing utilized by our military personnel and their dependents.

The conference agreement passed the House earlier today and is within the allocations for budget authority and outlays. It should be noted, Mr. President, that this is the largest military construction appropriations bill ever passed by this body. Again, I want to commend the distinguished chairman of our subcommittee, the Senator from Tennessee [Mr. SASSER], for his outstanding leadership in bringing this bill back to the Senate for final action.

Mr. President, I compliment the majority leader and the Republican leader on the speed of presentation of this conference report to this body.

We sat here awaiting the arrival of the papers, and just as soon as they are in hand after the House action, the matter is submitted to the Senate for its action in our effort to complete action on the 13 appropriation bills to present them to the President one at a time.

Mr. President, I concur with the comments by the chairman, Senator SASSER, about the need for greater burden-sharing. I think that is an undertaking which has to be recognized by our NATO allies. It is something which President Reagan has pressed. It is something we pressed at the Atlantic assembly meetings. It is something which has to be maintained if the United States is to be able to meet its own budget limitations, recognizing our own budget constraints, to have more support of our allies on the common defense.

Mr. President, I commend the staff for their outstanding work and I think that this presentation marks the conclusion of a very important matter of congressional business for fiscal year 1989.

Mr. SASSER. Mr. President, I thank the distinguished ranking member for his remarks and his contributions here this afternoon.

I know of no further debate, Mr. President. This is a fair and equitable conference report. I would urge its approval by the Senate, and I yield back any remaining time, and I would move the adoption of the conference report.

Mr. SPECTER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to. Mr. SASSER. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. SPECTER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, in accordance with the agreement previously entered, I ask unanimous consent that the Senate concur en bloc with the amendments of the House to the

amendments of the Senate, and that the Senate recede from its disagreement on amendment No. 41.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendments considered and agreed to en bloc are as follows:

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein.

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "\$927,292,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "\$1,576,516,000 of which amount, \$38,080,000 for the TACAMO mission shall not be available for obligation or expenditure before October 15, 1988, and, of the amount appropriated, funds allocated for homeporting at Everett, Washington may be obligated and expended for any homeporting military construction activity at that installation, except actual dredging and disposal of contaminated sediment, and that such funds may be expended for actual dredging and disposal of contaminated sediments once requirements of the Federal Water Pollution Control Act have been satisfied".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

**"COAST GUARD SHORE FACILITIES"**

"For construction, rebuilding and improvements of shore facilities of the United States Coast Guard, \$50,300,000 to remain available until September 30, 1993".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "\$1,225,926,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "\$197,278,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "\$1,527,602,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 25 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "\$244,181,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 27 to the aforesaid bill,

and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "\$799,169,000".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 126. Of the funds appropriated in this Act for Operations and maintenance of Family Housing, no more than \$30,000,000 may be obligated for contract cleaning of family housing units."

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 35 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 127. None of the funds appropriated in this Act may be used for the design, construction, operation or maintenance of new family housing units in the Republic of Korea in connection with any increase in accompanied tours after June 6, 1988."

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "128".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "129".

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 130. None of the funds appropriated in this Act for the National Test Facility or any other components of the National Test Facility may be used to provide any operational battle management, command, control or communications capabilities for an early deployment of a ballistic missile defense system: Provided, That the goal of the National Test Bed should be to simulate, evaluate, and demonstrate architectures and technologies that are technically feasible, cost-effective at the margin, and survivable."

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 45 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 131. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act."

*Resolved*, That the House insist on its disagreement to the amendment of the Senate numbered 41 to the aforesaid bill.

Mr. REID. Mr. President, I rise to praise the work of the distinguished chairman of the Senate Appropriations Subcommittee on Military Construction, my good friend Senator SASSER. He managed to overcome

every political and policy pratfall while negotiating the military construction bill through the Senate and the conference committee. Senator SASSER is one of those rare individuals who can please everyone but appease no one. He has my utmost respect and admiration, feelings I know are shared by my colleagues on the subcommittee and by our counterparts in the House.

Those of us on the subcommittee know that some of the decisions made by the chairman were really quite difficult, and accrued no advantage to him. I refer specifically to the 2-year fight I have waged to prevent the 474th Tactical Fighter Wing based at Nellis Air Force Base, NV, from being deactivated. On the very first day of the 100th Congress I learned the President had decided to deactivate the 474th. I was shocked. The Secretary of the Air Force had told me on several occasions this Nation needs 44 tactical fighter wings to provide a strong conventional deterrent; 40 wings has been an interim goal for several years, while we currently have 38. Deactivating the 474th leaves this Nation with seven fewer tactical fighter wings than it needs to adequately defend itself.

Last year, the Nevada delegation, and Gov. Richard Bryan, managed to win a 1-year reprieve for the 474th. This year, through, the President again chose the 474th for deactivation and stacked the cards against the wing. He made sure the planes were distributed to States with politically powerful members who would fight hard for the planes and the deactivation of the 474th.

Chairman SASSER had absolutely nothing to gain by helping me in my fight to save the 474th. But he stuck his neck out and worked with me to save the wing. The Senate worked its will and included bill language in H.R. 4586, the military construction appropriations bill for fiscal year 1989, preventing the deactivation of the wing. The House, under pressure from the President and Members who would see their Guard and Reserve units upgraded with F-16's, refused to accept this bill language in conference on Friday or today on the floor.

I believe this action by the House is a major mistake. It ignores the need this Nation has for a strong conventional deterrent, particularly since the ratification of the INF Treaty. Once the 474th is deactivated it is gone forever. Its training, expertise, and plan can never be reactivated. Deactivating the 474th is a shortsighted budget expedient taken at a time when our conventional weapons capability must be enhanced.

I have fought, and fought hard, to save the 474th for almost 2 years now. The odds have not gotten any better. I have arguments for a strong conven-



tional deterrent and the tiny Nevada delegation on my side. Arrayed against me is the President and Members from States who will get F-16s, pressure for early adjournment and today's action by the House. Continuing the fight will only postpone the inevitable deactivation of the 474th. H.R. 4586 appropriated \$9 billion for building facilities crucial to the defense of our Nation. Our fighting men and women are depending on us to provide them with housing and other amenities that contribute to their morale and readiness. I cannot hold up this important bill, and sacrifice the other legitimate needs of the armed services, for a cause my colleagues will not support.

On January 20, 1989, this Nation will have a new President. On April 1, 1989, the 474th tactical fighter wing is scheduled to be deactivated. I hope during this short period, the new President will reexamine our force structure and decide more, not less, tactical fighter wings are needed to provide a credible conventional deterrent and a strong national defense. This will not be an easy decision for the next President, I have little hope he will reverse the decision to deactivate the 474th.

Finally, I am happy to say that my chairman has agreed to help me find a use for the Indian Springs Air Force Auxiliary Field. Working together, I believe we will be able to upgrade this underutilized field and make it suitable for the Air Guard in southern Nevada. Mr. President, Senator SASSER has shown he is a fair, hard working chairman who will not hesitate to go the extra mile for his fellow Senators. Once again I commend him and his clerk, Mike Walker, for their work on this bill and look forward to my future years of service on the Military Construction Subcommittee.

Mr. SASSER. Mr. President, I want to thank once again all Senators who have participated in the debate and worked on this military construction appropriations bill and, Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REMEDIES FOR THE U.S. TEXTILE AND APPAREL INDUSTRIES

The Senate continued with the consideration of the bill.

Mr. THURMOND. Mr. President, as I understand it, we are back on the textile bill now.

The PRESIDING OFFICER. The Senator is correct.

Mr. THURMOND. Mr. President, I rise as an original cosponsor of this legislation which will significantly strengthen and promote enforcement of our textile and apparel trade laws and agreements. This measure, H.R. 1154, the Amended Textile and Apparel Trade Act of 1988, has attracted strong bipartisan support. Many of my Senate colleagues have signified their dedication to the continuation of a viable American textile and apparel industry with 50 having joined as cosponsors of the original Textile and Apparel Trade Act of 1987.

Mr. President, a viable textile and apparel industry is absolutely essential to the economy and national security of this Nation. Although seriously threatened, and already heavily impacted by massive imports, this vital industry still provides employment nationwide for more than 2 million Americans. One out of every 10 manufacturing jobs is a textile- and apparel-created job. As well, more people depend upon the textile and apparel industry for their livelihoods than the steel and auto industries combined. However, if the current trend in job losses persists due to textile import penetration, massive economic hardship will continue to impact harshly upon those who depend upon this industry for their livelihoods.

In addition to its economic importance, the textile and apparel industry is critical to the defense and security of this Nation. In 1984, U.S. Trade Representative William Brock said: "Every industry insists it is essential for national defense. Textiles is the only one we accept as essential." We must not allow ourselves to become dependent upon foreign nations for the basic defense requirements of our Armed Forces. It is no small task to meet the apparel needs of our military forces. The textile and apparel industry has met the challenge throughout the history of this country both during times of war and times of peace. Textile employees have spent millions of hours manufacturing textile and apparel items which are essential to our military forces who are called on to preserve our freedom. A strong domestic textile industry is critical to a strong military. Unless this legislation becomes law, our domestic textile industry will continue to grow weaker while our adversaries become stronger through exports to our country. This could ultimately threaten the national security of this Nation.

Mr. President, having outlined the importance of the textile and apparel industry, I believe it appropriate now to discuss the magnitude of the crisis confronting this vitally important industry.

Over the last several years, I have quoted many statistics related to the

textile and apparel industry. Year after year, the statistics are more and more dismal. The situation has deteriorated to the point that almost one-half of all textile and apparel goods sold in the United States today are made abroad.

Mr. President, I want to repeat that statement. The situation has deteriorated to the point that almost one-half of all textile and apparel goods sold in the United States today are made abroad.

The fact that this Nation faces such a crisis is inconceivable. In certain product categories, imports have captured 80 percent of the domestic market. Although imports have adversely impacted almost all of our domestic industries, the situation is most acute with regard to the textile and apparel industry. Import penetration in the auto and steel industries is only 25 percent, about one-half the rate experienced by the textile and apparel industry.

During the past 5 years, textile and apparel imports have increased at an average rate of 20 percent per year, displacing some 300,000 to 350,000 American textile workers in the process. Over 700,000 textile employment opportunities have been lost as a result of increased imports. A recent example of these massive layoffs was reported in the Washington Post on July 22, 1988. The article entitled "Virginia Mill to Close" states that a textile mill employing 164 people in Fries, VA would close around October—a victim of foreign competition, according to the owners.

The owners who happen to be from South Carolina may donate all or part of the mill to the town which owes its existence to this mill. The operation of the mill built nearly all the homes in the community, helped establish a school, churches, a cemetery, a bank, and recreational facilities. When a textile mill is forced to close down due to overseas competition, many times, an entire town is destroyed.

The 164 employees will become a part of the dismal statistics I have stressed over and over. One hundred and sixty-four may not seem to be a significant layoff, unless you are the one asked not to return to your job on Monday.

Mr. President, textile imports totaled over \$28.9 billion during 1987. This record amount of imports reflects an astounding increase of almost 17 percent over 1986.

On the other hand, the United States exported only \$4.1 billion during 1987, which translates into an unprecedented textile and apparel trade deficit of \$28.8 billion. This reflects a 16.8-percent increase of the textile and apparel trade deficit. These figures equate to an import-export ratio of 7 to 1. The entire trade deficit reflects

an import-export ratio of only 1.87 to 1. This statistic clearly depicts how hard the textile and apparel industry has been hit compared to other industries.

The textile and apparel trade deficit for January and February 1988, rose 6.3 percent over the same period last year to a recordbreaking \$4.2 billion.

As discouraging as these statistics are, there is more bad news for the textile industry. Measured in square yards, textile and apparel imports reached a record level in 1987. Over 13 billion square yards were brought in—a 2.35-percent increase over the record amount of imports in 1986. If this current trend does not change, and there is no reason to believe that it will unless this measure passes, more than 13 billion square yards of textile and apparel imports will flood into the United States in 1988.

The most astonishing fact is that these record levels were reached despite administration claims that they have negotiated tighter bilateral agreements with foreign importers. The truth is that the administration has taken no effective action to ensure the job security of the more than 2 million Americans employed in this industry. In fact, according to the American Textile Manufacturing Institute, over 10,000 textile and apparel employees lost their jobs during the month of January 1988. Unless Congress takes prompt action to stop this devastating trend, the flood of textile and apparel imports will drive this domestic industry to extinction. Some 2 million Americans employed in this industry could suffer the tragedy of losing their jobs.

Along with these statistics, a recent study by the Office of Technology Assessment, OTA, warrants serious consideration by the members of this body. As we all know, OTA was created in 1972 as an analytical arm of Congress. Its basic function is to help legislative policymakers anticipate and plan for the consequences of technological change and to examine its impact on our citizens. OTA provides Congress with nonpartisan independent and timely reports in many areas—one being the U.S. Textile and Apparel Industry.

OTA issued a report entitled the "U.S. Textile and Apparel Industry: A Revolution in Progress." Its conclusions are most disturbing. This report concludes that "despite the optimism made possible by technical progress, U.S. textile and apparel firms are in danger . . . in spite of these remarkable advances, the industry is gravely threatened."

The OTA report draws the following conclusion:

\*\*\* if penetration of U.S. apparel markets were to continue at the pace of the past decade, domestic sales of U.S. apparel firms would approach zero by the Year 2000,

while two-thirds of the U.S. textile market would be served by foreign imports.

In essence, the OTA report concludes that the domestic textile and apparel industry will be extinct in a few short years unless the flooding of our domestic market with foreign textile and apparel imports is halted. This bill must become law if this industry is to survive.

Mr. President, the reason imports have been capturing larger and larger percentages of our domestic market is because foreign manufacturers do not compete with our domestic textile and apparel producers on an equal basis. If they did, then the U.S. textile and apparel industry, the most modern in the world, could easily compete with that of any other nation. However, our domestic industry cannot effectively compete with foreign industries that pay their employees slave wages and that are subsidized by their governments. In order to have free trade, we must first have fair trade.

Many foreign governments have bolstered their textile and apparel industries in order to fulfill the threefold purposes of creating jobs for their workers, acquiring U.S. dollars, and achieving a more favorable balance of trade. These governments have been creative, innovative, and remarkably successful in their efforts as the import statistics too well illustrate. For example, many countries have provided low interest, subsidized loans for capital formation and expansion within their textile and apparel sectors. They have created tax advantages and other incentives for exporting textile and apparel products. They have fostered and protected their own industries and markets through currency manipulation and trade restrictions. In many cases, formal partnerships have even been arranged between foreign textile firms and their governments.

Before closing, I would like to mention recent events that make passage of the textile bill absolutely necessary. I am appalled that this administration has agreed to allow the Soviet Union to import cotton sheeting and print cloth into our domestic market. You can be assured the Soviets will attempt to exploit and take advantage of this opportunity to become a major supplier of textiles and apparel into this country. In essence, the Soviet Union is undermining the most essential industry to our national defense. By allowing the Soviets to ship their products here, we are depriving American workers of their jobs and creating jobs for our strongest adversary. We simply cannot continue to permit these practices. American workers must always come first.

In conclusion, the legislation we are considering today is designed to promote the orderly, nondisruptive growth of world trade in fibers, tex-

tiles, and apparel products. It is the result of a cooperative, bipartisan effort on the part of textile and apparel management and labor, Members of Congress, and others concerned with the continuation of a viable domestic textile and apparel industry. I believe the Textile and Apparel Trade Act to be a sound measure that will ensure strict enforcement of our existing trade laws and agreements. Above all, it will structure a fairer trading system for textile/apparel products worldwide.

Furthermore, the amended bill is drafted in a manner to ensure that other domestic industries are treated equitably and fairly. For example, H.R. 1154 contains a provision which requires the administration to give preference to foreign countries which increased their purchases of American agricultural products when allocating textile and apparel quotas under the bill.

The bill also provides for a 1-year pilot program to auction textile and apparel import licenses to alleviate the reduction of tariff revenues due to import controls. This provision would ensure that the cost of implementing this measure will remain minimal.

The main purpose of this bill is to set limits on import growth rates at 1 percent per year from a 1987 base level. This is consistent with the multi-fiber arrangement, and moreover, necessary to the survival of one of the most important industries of our Nation. It is apparent that this legislation is unquestionably necessary. This textile and apparel import problem will not solve itself. I reiterate, we saw the textile and apparel deficit grow to a massive \$24.8 billion in 1987. We have lost thousands of textile and apparel related jobs and job opportunities in the last several years. Unless we take prompt action, the continued existence of the industry is in jeopardy.

Finally, some label this legislation as protectionist. I believe this label is inaccurate. When the jobs of more than 2 million Americans are at stake, the issue is not one of being protectionist, it is a question of developing a fair and rational trade policy that will allow a competitive amount of goods to enter our markets without displacing our workers. American jobs should never be sacrificed to support foreign economies and employment.

I strongly urge my Senate colleagues to seriously consider this bill and realize the necessity of its passage.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FOWLER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.



Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, 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 a nomination, which was referred to the Select Committee on Indian Affairs.

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

#### ANNUAL REPORT OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT—PM 155

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 Environment and Public Works:

*To the Congress of the United States:*

Pursuant to the requirements of Section 10 of the Saint Lawrence Seaway Act of May 13, 1954, I hereby transmit the Saint Lawrence Seaway Development Corporation's Annual Report for 1987.

RONALD REAGAN.

THE WHITE HOUSE, September 14, 1988.

#### MESSAGES FROM THE HOUSE

At 1:20 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1223) entitled the "Indian Self-Determination Amendments of 1987," with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 2057. An act to provide for the establishment of the Coastal Heritage Trail in the State of New Jersey, and for other purposes.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 775. An act to provide for the establishment of the Poverty Point National Monument, and for other purposes;

H.R. 3957. An act to establish the Delaware and Lehigh Navigation Canal National Heritage Corridor in the State of Pennsylvania;

H.R. 4064. An act to amend title 28 of the United States Code to authorize the appointment of additional bankruptcy judges;

H.R. 4554. An act to remove certain restrictions on land acquisitions for Antietam National Battlefield;

H.R. 4970. An act to amend title 35 of the United States Code relating to animal patents; and

H.R. 5049. An act to amend section 603(a) of the Federal Property and Administrative Services Act of 1949 to authorize the expenditure of monies for official reception and representation expenses.

The message also announced that pursuant to the provisions of section 225(b) of Public Law 90-206, the Speaker appoints Mr. William R. Ratchford of Arlington, VA; and Mr. John Creedon of Larchmont, NY, on the part of the House from private life as members to the Commission on Executive, Legislative and Judicial Salaries.

At 3:14 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 328. Joint resolution to designate the day of September 14, 1988, as "National Medical Research Day".

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4586) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendment of the Senate numbered 28 to the bill, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 1, 4, 7, 8, 22, 24, 25, 27, 34, 35, 37, 38, 40, and 45 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and that it insists upon its disagreement to the amendment of the Senate numbered 41 to the bill.

At 4:57 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4387) to authorize appropriations for fiscal year 1989 for Intelligence and Intelligence-related activities of the U.S. Government, for the Intelligence community staff, for the Central Intelligence

Agency retirement and disability system, and for other purposes.

The message also announced that the House has passed the bill (S. 945) to require the Secretary of Health and Human Services to make grants to local governments for demonstration projects to provide respite homes and other assistance for infants abandoned in hospitals, and for other purposes; with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the bill (S. 1914) to designate a segment of the Wildcat River in the State of New Hampshire as a component of the National Wild and Scenic Rivers System, and for other purposes; with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5073. An act to amend the Federal Aviation Act of 1958 to provide protection for aviation whistleblowers.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 5:07 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 4783. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1989, and for other purposes;

H.R. 4867. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes; and

S.J. Res. 328. Joint resolution to designate the day of September 14, 1988, as "National Medical Research Day".

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. STENNIS].

#### MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 775. An act to provide for the establishment of the Poverty Point National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3957. An act to establish the Delaware and Lehigh Navigation Canal National Heritage Corridor in the State of Pennsylvania; to the Committee on Energy and Natural Resources.

H.R. 4554. An act to remove certain restrictions on land acquisitions for Antietam National Battlefield; to the Committee on Energy and Natural Resources.

H.R. 4970. An act to amend title 35 of the United States Code relating to animal patents; to the Committee on the Judiciary.

H.R. 5049. An act to amend section 603(a) of the Federal Property and Administrative Services Act of 1949 to authorize the expenditure of moneys for official reception and representation expenses; to the Committee on Governmental Affairs.

H.R. 5073. An act to amend the Federal Aviation Act of 1958 to provide protection for aviation whistleblowers; to the Committee on Commerce, Science, and Transportation.

### MEASURES PLACED ON THE CALENDAR

The Committee on Banking, Housing, and Urban Affairs was discharged from the further consideration of the following bills; which were placed on the calendar:

H.R. 176. An act to provide for the uniform disclosure of the rates of interest which are payable on savings accounts, and for other purposes; and

H.R. 3011. An act to amend the Truth in Lending Act to establish additional disclosure, advertising, and other requirements for home equity loans.

### ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 14, 1988, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 328. Joint resolution to designate the day of September 14, 1988, as "National Medical Research Day."

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1626. A bill to keep secure the rights of intellectual property licensors and licensees which come under the protection of title 11 of the United States Code, the Bankruptcy Code (Rept. No. 100-505).

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment:

S. 1863. A bill to amend the bankruptcy law to provide for special revenue bonds, and for other purposes (Rept. No. 100-506).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 1919. A bill for the relief, of Michael Wilding (Rept. No. 100-507).

By Mr. INOUE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 129. A bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes (Rept. No. 100-508).

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

H.R. 2046. A bill to authorize the Secretary of State to conclude agreements with the appropriate representative of the Government of Mexico to correct pollution of the Rio Grande.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

H.J. Res. 602. Joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambo-

dian people from a return to power by the genocidal Khmer Rouge.

S. Res. 385. Resolution expressing the opposition of the Senate to the continued control of the cathedral of Vilnius, Lithuania, by the Union of Soviet Socialist Republics.

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. Con. Res. 129. Concurrent resolution expressing the support of Congress for the Dalai Lama and his proposal to promote peace, protect the environment, and gain democracy for the people of Tibet.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 142. Concurrent resolution congratulating Israel and Egypt on the tenth anniversary of the Camp David Accords.

### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

W. Allen Wallis, of New York, to be United States Alternative Governor of the International Bank for Reconstruction and Development for a term of five years; and United States Alternative Governor of the Inter-American Development Bank for a term of five years.

The following-named persons to the Representatives of the United States of America to the Forty-third Session of the General Assembly of the United Nations:

Vernon A. Walters, of Florida;  
Pearl Bailey, of Arizona;  
Rudy Boschwitz, United States Senator from the State of Minnesota; and  
Christopher J. Dodd, United States Senator from the State of Connecticut.

The following-named persons to be Alternative Representatives of the United States of America to the Forty-third Session of the General Assembly of the United Nations:

Noel Gross, of New Jersey;  
Lester B. Korn, of California;  
Hugh Montgomery, of Virginia;  
Patricia Mary Byrne, of Ohio; and  
Arthur Schneider, of New York.  
Joseph F. Saldago, of California, to be the Representative of the United States of America to the Thirty-second Session of the General Conference of the International Atomic Energy Agency;

The following-named persons to the Alternate Representatives of the United States of America to the Thirty-second Session of the General Conference of the International Atomic Energy Agency:

Lando W. Zech, of Virginia;  
Bruce K. Chapman, of Washington; and  
Richard T. Kennedy, of the District of Columbia.

Nicholas F. Brady, of New Jersey, to be United States Governor of the International Monetary Fund for a term of five years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; and United States Governor of the African Development Fund.

(The above nominations were reported with the recommendation that they

be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which appeared in its entirety in the CONGRESSIONAL RECORD of September 7, 1988, and, to save the expense of reprinting them on the Executive Calendar, I as unanimous consent that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ:

S. 2786. A bill to amend title 10, United States Code, to encourage increased utilization of domestic firms in the performance of Department of Defense contracts; to the Committee on Armed Services.

By Mr. HEINZ (for himself, Mr. ROCKEFELLER and Mr. WALLOP):

S. 2787. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the exploration and development of coal resources; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. BAUCUS):

S. 2788. A bill to amend the Solid Waste Disposal Act; to the Committee on Environment and Public Works.

By Mr. DOLE (for himself, Mrs. KASSEBAUM and Mr. HEINZ):

S. 2789. A bill to require the Secretary of the Treasury to mint and issue \$1 coins in commemoration of the 100th anniversary of the birth of Dwight David Eisenhower; considered and passed.

By Mr. DURENBERGER:

S. 2790. A bill entitled "Narcotics Enforcement Simplification Amendment of 1988"; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. MCCAIN):

S. 2791. A bill to add additional land to the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; referred to the Committee on Indian Affairs.

By Mr. ROTH:

S.J. Res. 377. Joint resolution proposing an amendment to the Constitution regarding Federal taxation of State obligations; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. SASSER, Mr. ROCKEFELLER, Mr. PACK-

WOOD, Mr. KERRY, Mr. ADAMS, Mr. HUMPHREY, Mr. GORE, Mr. EXON and Mr. COCHRAN):

S.J. Res. 378. Joint resolution designating the week of October 2 through 8, 1988, as "National Wild and Scenic Rivers Act Week"; to the Committee on the Judiciary.



# SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for Mr. BURDICK (for himself and Mr. STAFFORD)):

S. Res. 471. Resolution authorizing the printing of a history of the Environment and Public Works Committee as a Senate document; considered and agreed to.

By Mr. JOHNSTON (for himself and Mr. McCLURE):

S. Res. 472. Resolution authorizing the printing of background information relating to the Committee on Energy and Natural Resources; to the Committee on Rules and Administration.

# STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ:

S. 2786. A bill to amend title 10, United States Code, to encourage increased utilization of domestic firms in the performance of Department of Defense contracts; to the Committee on Armed Services.

## UTILIZATION OF DOMESTIC FIRMS IN PERFORMANCE OF DEPARTMENT OF DEFENSE CONTRACTS

Mr. HEINZ. Mr. President, some of my friends in this body as well as some members of academia have in recent years launched a bitter attack on domestic procurement policies. They have made it seem unAmerican to buy American.

Well, in the coming months a number of us will be embarking on a counterattack against this effort to stand sound policy and sound economics on its head. Buying American is neither unAmerican nor unpatriotic. It strengthens our industrial base and in most cases over the long term saves money.

The economic arguments of those who oppose buy American policies are based on the same myopic thinking used by those who welcome dumped and subsidized imports because they are cheaper. Let the foreign goods come in, the economists say. We get the benefit of low prices, and foreign governments get poor paying the subsidies or their producers go broke my dumping.

It is precisely that kind of upside-down thinking that has produced our \$170 billion trade deficit. The foreign producers and governments obviously are not going broke, and our consumers, far from saving money, are saddled with a foreign debt that our children will repay with a lower standard of living. This is an economic "Back to the Future" where Marty McFly goes backward and stays there; where we find our children having to work as hard as our parents to get by.

This has happened because instead of defending our comparative advantages, we have allowed our competitors to create theirs—through predatory strategies that allow them to capture

our entire market by selling at any price. Once dominant, they can price at will. What has happened to domestic television manufacturing? VCR's? Telephones? Increasingly, semiconductors? Machine tools? The answer is, the same thing that will happen to high definition television, if we are not careful.

Those nearsighted politicians and economists who think free trade is a one-way street fail to understand the role their policies have played in eroding our industrial base. And I am not talking about low tech, low capital intensive, easy entry industries, but high tech, capital intensive industries with high entry costs, high research and development expenditures, and rapid development of new generations of technology. To kiss these industries goodbye in the name of one-way free trade is to abandon them forever, and in the process to weaken our national security by eroding our industrial manufacturing base. Yet that is exactly what we are doing.

This is not an abstract concern, as a recent Defense Department report, "Bolstering Defense Industrial Competitiveness," confirms: "Many basic industries of importance to defense production have declined, threatening the responsiveness of our industrial base. Left unchecked, such erosion could rob the United States of industrial capabilities critical to national security." I will shortly discuss some of the details of that report.

There are many ways to address this problem, but all of them begin with putting the American back into buy American and acknowledging it is not a crime to prefer our own products when the consequences of not doing so are so great.

There is also room for legislation—not protectionist legislation—but rather a modest step to encourage those whose task it is to worry about our industrial base to translate that worry into concrete procurement decisions.

Therefore, I am today introducing legislation that will encourage increased participation by our domestic industries in the defense procurement process. This bill sets certain guidelines for the Department of Defense, guidelines which in turn take the amount of promised domestic subcontracting into account when DOD considers awarding bids to prime contractors. This bill will require prime contractors to specify in their bids a percentage of domestic content they will demand in subcontracts and then require the Department of Defense to consider this domestic subcontract percentage as a factor in bid selection. This will be another safeguard against the erosion of our Nation's vital defense industries by unfair foreign competition.

Mr. President, in 1986 the United States awarded \$9 billion in military contracts to foreign companies. The Defense Department defends its practice of awarding an unnecessarily large amount of defense contracts to heavily subsidized foreign industry as means of maintaining allied NATO support. Many of us, however, have criticized such contracting policy for the injury that it does to America; injury in terms of lost jobs, an exacerbated trade deficit and weakening of the domestic defense industrial base.

For example, the Senator from New Mexico (Mr. BINGAMAN) has recognized the potential threat to national security that such a foreign contracting policy could inevitably create. He is quoted in the New York Times as saying:

To the extent that we are contracting out and depending upon foreign companies to accomplish our research, we are losing our cutting edge in technology.

The Senator from Massachusetts (Mr. KERRY) has also disputed the awarding of contracts to less costly foreign bidders. Senator KERRY has said:

The secondary cost of us going to the low bidder are more than made up for by the losses to the economy—lost jobs, competitiveness, employment benefits and market share.

It has been my observation, as well as that of others, that over the past 7 years the Department of Defense has reduced its purchases from U.S. sources in those situations where it could have legally made a choice between American and foreign sourced products. Although these actions have probably not been inconsistent with current law, they have had an adverse impact on the continued viability of American defense industries, which in turn could have long term effects on our national security, especially in times of crisis.

Accordingly, I asked the General Accounting Office to analyze DOD procurement practices to ascertain whether they also observed this change occurring. I also asked for a judgment as to the impact of any such change on the health of the domestic industries affected by it.

The GAO report on the Defense Department's assessment of industries critical to the defense industrial base did not show significant increases in the value of DOD prime contracts awarded to foreign sources but made clear that there is not adequate data maintained on subcontracting for parts and components. Obviously, the problem of a weakened industrial base is not related simply to the health of prime contractors; rather it is also closely tied to awards of subcontracts to foreign bidders. It is the small American businessman who is injured by such a policy, a policy which often

unfairly favors highly subsidized bids by foreign competitors.

In reviewing the defense industrial base with the help of the Logistics Management Institute [LMI], a Federal Funded Research and Development Center, the Defense Department concluded that the following are the top 25 defense critical industries which have been most adversely affected by these trends in the past 6 years:

- Steel springs.
- Industry trucks and tractors.
- Nonmetallic mineral products.
- Asbestos products.
- Rubber and plastic footwear.
- Farm Machinery and equipment.
- Finishing plants not elsewhere classified (NEC).
- Metal barrels, drums, and pails.
- Holsts, cranes, and monorails.
- Electrical industrial apparatus (NEC).
- Steel foundries (NEC).
- Machine tools and metal cutting.
- Women's footwear, except athletic.
- Machine tools and metal forming types.
- Boot and shoe cut stock and findings.
- Fur goods.
- Construction machinery.
- Footwear, except rubber, NEC.
- Carbon and graphite products.
- Men's and boy's outerwear.
- Textile machinery.
- Textile bags.
- Hats, caps, and millinery.
- Sewing machinery.
- Motorcycles and bicycles.

I would note in passing, in view of the recent debates in the Senate, the high ranking of footwear and textile categories on this list. Although ranked in order of damage and not in order of importance to DOD, these nonetheless are all items determined to be defense critical.

Mr. President, this is only the top of the list. My office has heard many complaints from critical industries who believe that they may have been adversely affected by DOD procurement practices. Most notable among them are ball and roller bearings, iron and steel forgings, screw machine products and fasteners, and semiconductors and related products. The following data reflects the adverse trends which these industries are experiencing.

Imports' share of our market, a primary indicator of competitiveness, for ball and roller bearings increased from 12.2 to 16.6 percent and screw machine products rose from zero to 10 in the period 1980 to 1986.

Change in capacity is another important indicator of an industry's health. The measure of capacity growth that LMI selected is practical capacity: The maximum level of production possible with the equipment in place and a realistic work schedule. For iron and steel forgings, that figure decreased by 3.5 percent, and screw machine products decreased by 1.4 percent from 1980 to 1985. During this period, U.S. overall manufacturing capacity grew

1.5 percent annually, but of the 160 critical defense industries, 94, or 59 percent, performed below that overall average. The defense industries with the greatest decline in capacity were aluminum rolling and drawing, steel foundries, industrial trucks and tractors, and primary copper.

The GAO report also provided LMI's figures on the annual percentage change in manufacturers' shipments. These shipments are a measure of the activity in each defense critical industry. A negative or low growth demonstrates slow demand growth, which may lead to reduced investment and growth in capacity. The ball and roller bearing industry fell by 2.9 percent. Iron and steel forgings fell by 5 percent, and screw machine products increased only by 0.6 percent in comparison with the 1.4-percent per year growth of shipments for all manufacturing combined. There are other measures of industry health, such as investment ratios and average return on fixed assets, that also reveal similar deterioration.

The Department of Defense has recognized that it must take action if this erosion of our domestic defense industrial base is to be halted. DOD has made efforts to assist selected sectors, particularly semiconductors, gas turbine engines, machine tools, ball bearing and forgings. The recent report prepared at the direction of Under Secretary of Defense (Acquisition) Robert Costello recommends establishing a manufacturing strategy committee to advise the Under Secretary of Defense for acquisition on ways to improve the defense contractor manufacturing technology and industrial processes. The report, "Bolstering Defense Industrial Competitiveness," lists several steps toward improving the planning and manufacturing capabilities of second-tier defense contractors. In particular, the report recognizes that subcontractor performance has had limited visibility in high-level DOD attention notwithstanding its clear importance in the procurement process:

The Department of Defense procurement processes are focused on prime contractors, even though purchased materials and components supplied by subcontractors represent 50 to 85 percent of the total cost. The Department does not require or encourage vendors' participation in strategic planning decisions or design processes. In fact, requirements of the competition advocates for free and open price competition for subcontractors and suppliers have the effect of keeping the supplier base in constant turmoil and make it virtually impossible for defense contractors to build a stable base of reliable, high quality, cost-effective vendors. This is the opposite of the practice generally credited for the high quality of Japanese products.

Although the Department of Defense plans a number of programs to rectify the problems in the defense industrial base, I believe legislation is

also needed to further advance and direct these efforts. My bill will encourage increased utilization of domestic firms in the performance of defense contracts by spurring prime defense contractors to consider domestic industry at the subcontractor level. The bill requires DOD to consider in its bid review process the amount of domestic subcontracting that prime contractors include in their bids.

This bill is modeled in part on Public Law 95-507, enacted in October, 1978, which is intended to ensure that small businesses are given "the maximum practicable opportunity to participate" in Government contracts. This participation is to be evidenced in the subcontracts of prime contractors. The winner of a contract must meet with the procurement officer of the Government agency involved and work out an agreement which gives small business a certain percentage of all subcontracts.

"Unfortunately, Public Law 95-507 has had a number of enforcement problems which my bill hopes to avoid. First, the Secretary of Defense will be required to publish and furnish an explanation of all laws, regulations and Department policies which encourage the use of property manufactured and services provided by domestic firms in performance of DOD contracts. Furthermore, the Secretary must publicize the availability of these materials.

The main thrust of the bill is designed to ensure American companies adequate access to Government contracts. Each bid or proposal submitted by a contractor in connection with a contract solicitation issued by DOD shall specify the minimum percentage of the total dollar amount of the contract that is to be performed by domestic firms. Each bid must also include a plan under which not less than the minimum percentage of the total dollar amount referred to above will be performed by domestic firms. The percentage amount of domestic subcontracting listed in the bid shall be a significant factor in the evaluation of the bid or proposal and the subsequent awarding of the prime contract. Any contract awarded will include a requirement that at least the minimum percentage of domestic subcontracting promised in the bid will be commissioned.

The bill also has a clause to address complaints. If an interested party submits a complaint that a contractor has failed to comply with the contract's requirements, the Department's Inspector General must investigate. If the complaint is valid, the Department must require the contractor to take corrective action reasonably available or impose sanctions as determined by the Inspector General.

Mr. President, it is past time that Congress provide responsible incen-



tives to insure increased participation by American industry in the defense procurement process and by doing so to maintain the integrity and viability of our defense industrial base. Failure to do that only harms our national security, it destroys jobs and contributes to the further decline of our manufacturing sector. This legislation is a modest but constructive effort to remind everyone that buy American is a pro-American policy.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

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

## S. 2786

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. UTILIZATION OF DOMESTIC FIRMS TO PERFORM DEPARTMENT OF DEFENSE CONTRACTS

(a) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2330. Performance of Department of Defense contracts by domestic firms

“(a) PUBLICATION OF NOTICE OF BUY AMERICA POLICIES.—(1) The Secretary of Defense shall—

“(A) furnish to any person, upon request, materials containing an explanation of all laws, regulations, and Department of Defense policies and practices which require or encourage the use of property manufactured or produced and services provided by domestic firms in the performance of Department of Defense contracts; and

“(B) publicize, on an ongoing basis, the availability of the materials referred to in clause (A).

“(2) The Secretary shall publicize the availability of the materials referred to in paragraph (1)(A) by means that—

“(A) provide the maximum practicable publicity for the availability of such materials; and

“(B) are likely to provide actual notice of the availability of such materials to the maximum practicable number of small business concerns.

“(b) MINIMUM DOMESTIC CONTENT.—(1) Each bid or proposal submitted by a contractor in connection with a contract solicitation issued by a military department or Defense Agency shall—

“(i) specify the minimum percentage of the total dollar amount of the contract that is to be performed by one or more domestic firms; and

“(ii) except as provided in paragraph (2), include a plan under which not less than the minimum percentage (referred to in clause (A)) of the total dollar amount of the contract will be performed by one or more domestic firms.

“(2) A contractor shall not be required to submit a plan referred to in paragraph (1)(A)(ii) in connection with any bid or proposal if the contractor submitting the bid or proposal includes in the bid or proposal a certification that the contractor will perform the entire contract and that the contractor is a domestic firm.

“(3) For the purposes of section 2305 of this title, the matters included in a bid or proposal pursuant to paragraph (1)—

“(A) shall be significant factors in the evaluation of the bid or proposal; and

“(B) shall have such importance in relation to other significant factors as the Secretary of the military department or head of a Defense Agency soliciting the bid or proposal may assign.

“(4)(A) Any contract awarded on the basis of a bid or proposal referred to in paragraph (1) shall include a requirement that at least the minimum percentage of the total dollar amount of the contract specified in such bid or proposal pursuant to such paragraph be performed by one or more domestic firms.

“(B) A material element in the performance of a contract referred to in subparagraph (A) shall be compliance by the contractor with the requirement included in the contract pursuant to such subparagraph.

“(c) COMPLAINT RELATING TO FAILURE TO ACHIEVE MINIMUM PERCENTAGE OF DOMESTIC PERFORMANCE.—(1) If, in the case of a contract awarded by the Secretary of a military department or the head of a Defense Agency, any interested party submits in writing to the Inspector General of the Department of Defense a complaint that a contractor has failed to comply with any requirement of a contract referred to in subsection (b)(4), the Inspector General shall—

“(A) investigate the complaint;

“(B) determine whether the complaint is valid; and

“(C) if the complaint is valid, determine—

“(i) what, if any, corrective action is reasonably available and appropriate for the contractor to take at the time the Inspector General determines that the complaint is valid; and

“(ii) what, if any, sanctions it is appropriate to impose against the contractor.

“(2) The Secretary of a military department or the head of a Defense Agency that awarded a contract referred to in paragraph (1) shall require the contractor to take all corrective actions determined reasonably available and appropriate by the Inspector General under paragraph (1) and impose against the contractor all sanctions determined appropriate by the Inspector General under such paragraph.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘domestic firm’ means any business entity which is not a foreign firm.

“(2) The term ‘foreign firm’ means a business entity owned or controlled by one or more foreign nationals or a business entity in which more than 50 percent of the voting stock is owned or controlled by one or more foreign nationals.

“(3) The term ‘interested party’, with respect to a contract which contains a requirement referred to in subsection (b)(4), means—

“(A) any person who submitted a bid or proposal for such contract but was not awarded the contract;

“(B) any domestic firm which, at the time a subcontract under such contract is awarded by the prime contractor to a foreign firm, is ready, willing, and able to perform such subcontract; and

“(C) any other person aggrieved by a failure of the contractor to comply with such requirement.

“(4) The term ‘small business concern’ means a small business concern within the meaning of section 3 of the Small Business Act (15 U.S.C. 632).”

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2330. Performance of Department of Defense contracts by domestic firms.”

## SEC. 2. EFFECTIVE DATE

The amendments made by section 1 shall take effect with respect to contract solicitations issued by the Department of Defense on or after the date of the enactment of this Act.

By Mr. HEINZ (for himself, Mr. ROCKEFELLER, and Mr. WALLOP):

S. 2787. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the exploration and development of coal resources; to the Committee on Finance.

## COAL PRODUCTION TAX INCENTIVE ACT

Mr. HEINZ. Mr. President, I note from remarks the majority leader has made on other occasions that it is his expectation we will take up the U.S.-Canada free trade agreement. I point out, Mr. President, that under that agreement, the United States and Canada would move toward opening their borders on much less restricted bases to goods and services produced in our two respective countries and ultimately we could reach an integrated economic unit, a market, if you will, for most of North America, although I must tell you the free trade agreement that will be before us does not go anywhere near that far.

As we start to move down this path, however, we must be mindful that our two countries have very different standards for the conduct and treatment of their industries. Recognizing this, and recognizing that industries important to the economic health of Pennsylvania compete both directly and indirectly with similar industries in Canada that receive a more favorable treatment, I am introducing this measure, along with Senators WALLOP and ROCKEFELLER, to create a more level playing field in the tax treatment of extractive industries like coal. While this legislation may not totally level the playing field, it will permit United States coal producers that compete directly with Canadian coal producers, or that compete in the sale of coal for the production of electricity, to compete on more equal terms.

Mr. President, it is a well-known fact that the coal industry in Pennsylvania is integral to the economic health of several regions of the Commonwealth. However, very few people understand exactly what this means. The production of each one million tons of coal in Pennsylvania is directly responsible for 300 mining jobs with a payroll of approximately \$10 million; each million tons is also responsible for 250 jobs in supporting industries with a payroll exceeding \$6 million. In 1986, 71.5 million tons of coal were produced in the State of Pennsylvania; generating over 39,000 jobs directly and indi-

rectly and nearly \$95 million in payroll in our Commonwealth.

Despite the coal industry's importance, the industry has gone through a major retrenchment in recent years. Since 1970, when there were 407 deep mines and 890 surface mines, the total number of operating mines has been cut nearly in half. Moreover, from a peak employment of 190,000 Pennsylvania coal miners earlier in this century, we have dropped to an all-time low of 17,000 miners in my State during 1987. This is less than 10 percent of peak employment. Pennsylvania coal miners know what retrenchment means in ways that few other industries can understand.

In rural Pennsylvania the loss of jobs in the coal industry has been particularly devastating. In Greene County, about 50 miles south of Pittsburgh, as recently as 1979 there were 4,500 miners on the job. In 1987 there were only 2,400 left with jobs. These massive job losses in the local fields is directly responsible for Greene County's double digit unemployment rate.

Other Pennsylvania counties have been equally hard hit. A decade ago, in nearby Cambria and Somerset Counties there were nearly 10,000 coal miners employed. Today there are only 3,700 miners working. Unemployment in these coal mining areas is well above the national average of 5.5 percent. Indeed, the recorded unemployment rate would be much higher in these areas if Labor Department statistics took into account the literally thousands of unemployed workers in both counties who aren't counted because they have given up looking for work or who have moved elsewhere in search of jobs.

The drastic reduction in coal mining activity in Pennsylvania is a result of many factors. One of the most salient factors is the increasing competition—not all of it "fair"—in both the world and domestic markets to supply coal for electricity production.

Canada's Federal income tax system has deductions and incentives much more liberal than those provided coal mining companies in Pennsylvania and the United States. For example, mining companies in Canada are permitted to deduct all exploration and development expenses, and are provided a depletion allowance of 25 percent. A variable investment tax credit is also provided, and the current Canadian federal corporate income tax rate is phasing down to 33 percent, basically the same as the United States will be in 1989. Although, on the surface, the tax rates seem comparable—this masks the underlying reality—Canada does not have a black lung tax. It does not have an abandoned mined land fee. These taxes collectively total \$1.25 per ton for underground coal and \$0.90 a ton for surface coal in the United States, which add over \$70 mil-

lion a year to the cost of doing business for Pennsylvania coal mining alone.

While we cannot change the Canadian tax laws, we can modify our tax laws and put our industries on equal footing by eliminating the disadvantages inherent in our own system. The bill that we are introducing would provide tax treatment similar to that available to the Canadian coal industry and would:

First. Restore the percentage depletion rate for coal to the pre-1983 levels (that is, 10 percent of gross mining income instead of the current 8 percent).

Second. Reduce from 100 percent to 50 percent the amount of the percentage depletion allowance which is included as a preference in the alternative minimum tax base (similar to the treatment of book income).

Third. Restore full expensing for exploration and development costs, applicable to both regular taxpayers and alternative minimum tax taxpayers.

Fourth. Provide full credit for payment of abandoned mined lands fees against obligations under the superfund excise tax. Under current law, the coal industry is being assessed under both programs.

Mr. Chairman, a recent report by the Department of Commerce found that our coal industry was at a competitive disadvantage. That is taxes, as a percentage of production costs for Canadian companies, range from 1 to 16 percent, while in the United States, taxes range from 17 to 24 percent of production costs. Mr. President, it's pretty simple—with this disadvantage no matter how hard our miners work and no matter how much our coal companies invest in more efficient machinery and technology, the United States coal industry won't keep up with its chief competitors in Canada. Indeed, one could say under the circumstances that the harder American coal miners work the farther behind they fall—as a direct consequence of Federal tax policies.

Mr. President, when we consider the United States-Canada FTA we want to enhance the movement of goods and services between Canada and the United States. However, we also want to make sure that this agreement will not result in our industries being put at a disadvantage because of our tax system.

Through the tax changes reflected in my proposal, United States coal producers will be able to compete on a more level playing field with their counterparts in Canada.

Mr. President, I urge my colleagues to support this legislation. I ask unanimous consent that the bill be printed in the RECORD at this point.

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

S. 2787

*Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

This Act may be cited as the "Coal Production Tax Incentive Act of 1988".

## SEC. 2. REPEAL OF REDUCTION IN PERCENTAGE DEPLETION FOR COAL.

(a) IN GENERAL.—Paragraph (2) of section 291(a) of the Internal Revenue Code of 1986 (relating to reduction in percentage depletion) is amended by striking out "and coal (including lignite)".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1988.

## SEC. 3. ONLY 50 PERCENT OF COAL DEPLETION ALLOWANCE TAKEN INTO ACCOUNT FOR ALTERNATIVE MINIMUM TAX

(a) IN GENERAL.—Section 291(a)(2) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new sentence: "In the case any deduction allocable to coal (including lignite), the preceding sentence shall be applied by inserting '50 percent of' before 'the excess'".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1988.

## SEC. 4. COAL EXPLORATION AND DEVELOPMENT COSTS.

(a) IN GENERAL.—Section 291(b) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(6) SUBSECTION NOT TO APPLY TO COAL EXPLORATION AND DEVELOPMENT COSTS.—This subsection shall not apply to any costs allocable to coal (including lignite) deposits."

(b) MINIMUM TAX.—Subparagraph (A) of section 56(a)(2) of such Code is amended by adding at the end thereof the following new sentence: "This subparagraph shall not apply to any deduction for cost allocable to coal (including lignite) deposits."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after December 31, 1988, in taxable years ending after such date.

## SEC. 5. ENVIRONMENTAL TAX REDUCED BY AMOUNTS PAID FOR COAL MINING RECLAMATION COSTS.

(a) IN GENERAL.—Section 59A(c) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new paragraph:

"(3) REDUCTION FOR QUALIFIED RECLAMATION COSTS.—The amount of the tax imposed by this section shall be reduced by the amount paid during the taxable year for the fee described in section 402(a) of the Surface Mining and Reclamation Act of 1977."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1988.

By Mr. DURENBERGER (for himself and Mr. BAUCUS):

S. 2788. A bill to amend the Solid Waste Disposal Act; referred to the Committee on Environment and Public Works.

## CORRECTIVE ACTION AT STEEL FACILITIES

Mr. DURENBERGER. Mr. President, I am today introducing legislation to amend the Resource Conservation and Recovery Act [RCRA] with respect to the cleanup of hazardous wastes at



steel and aluminum manufacturing facilities across the country. This legislation has been developed in consultation with representatives of the steel industry. I am pleased that Senator Baucus, who chairs the subcommittee with jurisdiction over RCRA, has agreed to join with me on this bill.

In 1984, the Congress amended RCRA adding two new requirements for the cleanup of facilities releasing hazardous waste into the environment. One provision mandated the cleanup of all existing units at any facility before any new unit could receive a permit for waste treatment or disposal. The other provision gave EPA the authority to order cleanup at units which are known to be releasing wastes. EPA has been working diligently over the past 4 years to develop regulations that will implement these two legislative mandates. It is expected that the so-called corrective action regulations may be promulgated sometime this winter, and when they are, many industrial facilities which have disposed of waste on-site will be facing a big cleanup job.

This task will be especially difficult for the steel industry where many plants have been operating—and disposing of waste—on the same site for decades. Some of the larger steel producing facilities may have dozens of separate units on a single piece of property. The way RCRA works, each of those units must be cleaned up to the boundary of the unit, before any new waste management operation at the site can receive a permit.

Some companies in the industry commissioned a study of the potential cost of this cleanup task. The study, which was based on a thorough analysis of waste disposal practices for a hypothetical integrated steelmaking plant located in a river valley and disposing of waste on-site since the early part of this century, estimates the average costs of cleanup under RCRA as currently written at \$40 million per facility, \$34 million of that expense is capital costs. Most of those costs are for ground water cleanup, an extraordinarily expensive undertaking. It goes without saying that the American steel industry would find it very difficult to finance that kind of cleanup expense given the economic circumstances which it faces.

Environmental managers for some of the companies looking at these costs asked if there might be a more rational way to approach the problem—to provide adequate environmental safeguards, but take into account the nature of the industry and the way it has developed. And they have recommended an approach which is somewhat different than current law. Their recommendation is that we move the point of compliance for environmental standards from the boundary of each individual solid waste management

unit to the property boundary for the whole facility. Let me say again that most large plants will contain many existing units. And RCRA requires that they all be cleaned up right to the edge of the unit, even if that means cleanup in the middle of a large operating steel plant.

The alternative is compliance at the boundary of the entire facility. This alternative would reduce average cleanup costs to approximately \$8 million but would continue to afford protection for health and environmental resources anywhere outside the plant's fence line. To assure that no contaminants crossed the boundary at levels that would be hazardous, each facility would have to conduct ground water monitoring within the plant area and at a distance from the boundary sufficient to assure that cleanup measures could be implemented before any contaminated plume of ground water affected environmental quality outside the plant. The monitoring would continue so long as the plant was in operation. When operations ceased, plant owners would be required to provide financial assurances sufficient to operate the monitoring equipment and any remedies in effect for a period of 30 years. The assurances would also include a contingency for any corrective action that might become necessary after plant closure.

Mr. President, this is a very responsible proposal made by a major industry to assure environmental protection. I am pleased to be the author of this bill in the Senate. There are only a few weeks remaining in this Congress and it is unlikely that we will have time to move the bill now. But we are introducing it so that it might receive the fullest possible discussion and be available for action early next year. The RCRA requirements will begin to be felt as soon as the corrective action rules are promulgated and we will seek passage of this bill as emergency relief in the first few months of the next Congress.

Mr. President, I would ask that the text of the bill be printed in the RECORD along with my comments this afternoon.

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

#### S. 2788

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That*

SECTION 1. Section 3004(u) of the Solid Waste Disposal Act is amended by inserting "(1) after '(u)' and by adding at the end thereof the following new paragraph:

"(2) For the purposes of this subsection and section 3008(h), corrective action with respect to groundwater at any existing solid waste management unit at any facility that is in Standard Industrial Classification Codes 331 or 3334 shall be construed to mean:

"(A) the selection and implementation of corrective measures that assure that groundwater protection standards are met at the facility property boundary during the period such facility remains in operation and the additional period provided under subparagraph (C);

"(B) the implementation of groundwater monitoring at the facility property boundary and at appropriate points within the facility taking into account the nature of the solid waste management units, any releases, and the hydrogeological setting, so that, to the extent practicable and necessary to ensure that groundwater protection standards are met at the facility property boundary, corrective measures can be taken in advance of hazardous constituents reaching the facility property boundary; and

"(C) the inclusion in the schedule of compliance contained in a permit or order of a requirement that upon cessation of industrial operations at the facility in which the solid waste management units are located, if all hazardous waste and hazardous constituents in concentrations in excess of medical protection standards are not removed from such facility, the owner or operator of such facility shall establish a fund or provide other assurance of financial responsibility in accordance with subsection (t) in an amount adequate to assure monitoring and the operation and maintenance of corrective measures under this paragraph for a period of 30 years after such cessation of operations, including a reasonable contingency for additional corrective measures that may prove necessary during such period. For the purposes of this subparagraph, the sale or other transfer of the facility of another entity that intends to continue industrial operations at such facility and accepts the obligation to continue corrective measures under this paragraph shall not constitute a cessation of operations.".

#### By Mr. DURENBERGER:

S. 2790. A bill entitled the "Narcotics Enforcement Simplification Amendment of 1988"; to the Committee on the Judiciary.

#### NARCOTICS ENFORCEMENT SIMPLIFICATION AMENDMENT

● Mr. DURENBERGER. Mr. President, today I am introducing the Narcotics Enforcement Simplification Amendment of 1988.

One of the major difficulties for prosecutors since the enactment in 1970 of the Controlled Substances Act is the element of intent set forth in section 841. It is a costly and difficult element to prove. Major, well-known drugstore robbers defend themselves in court on the theory that they intended to consume the drugs with which they were arrested. They present expert testimony as to how much drugs an addict can devour and make large claims as to their personal capacities. Based on this facetious evidence, crooks are getting off with a slap on the wrist and not penalized the way they should. This happens even when law enforcement officials have confidential information to the contrary from the illicit store fronts where they resell the stuff.

In addition, lawyers, for crack dealers hold up the deceptively small quantity of evidence and argue to a jury that this was surely an amount that only an addict was going to use. Finally, the accessories to the crime—drivers, guards, and so forth—claim they were merely there to get some for personal use. The result is that great amounts of trial time are given over to pharmacological evidence on how much is consumed by the average user, packaging, and drug notations to indicate an intent to distribute, if indeed the agent is fortunate enough to find some evidence.

As a consequence of the existing intent requirement, cases in Minnesota involving serious crack dealers, serious offenders arrested with low inventory, and serious drugstore robbers have resulted in juries acquitting of the felony count and convicting merely upon the misdemeanor offense. Other cases have been declined and not prosecuted.

The old laws, under 26 United States Code, section 4701, et seq. did not have the intent element. The intent element seems to have risen from an unnecessary sensitivity in the late 1960's and early 1970's to distinguish between the person who intended to sell drugs as opposed to the person who intended to only use a drug substance. In reality, Federal prosecutors are busy and preoccupied with distributors. By inclination and prosecutive discretion they use 21 United States Code, section 844, for so-called simple possession cases and section 841 for dealer cases. Increasingly, also, it is recognized that the user is part of the problem and should not be given expensive, special protection. If a particular user has so much drug that he looks like a dealer, should he really have the right to complain if he finds himself prosecuted under section 841? I don't think so, in reality, anyone with a good salable quantity of drugs inevitably distributes it to others either through proselytizing, or encouraging use among his friends and acquaintances, or selling to support his habit.

Experts at all levels of law enforcement support adoption of this measure.

However, I must add a word of caution, Mr. President. When this amendment is accepted, it should not create a vacuum that will suck a structure of penalties prorated to quantities of drug. This would be as inefficient as new drugs come up unseen and, more importantly, it would again complicate the law and would defeat the purpose of this amendment. One may observe that the Sentencing Reform Act of 1984 which became effective on November 1, 1987, has guidelines providing that a certain quantity of drugs requires that the court impose a certain

sentence. Thus, the penalty is already structured.

Analogously, there is a similar hierarchy of offenses in the Internal Revenue Code. (See sections 7206 and 7207, each forbidding false statements in connection with tax returns, one being a felony and one a misdemeanor.) Both the Supreme Court and the United States Court of Appeals for the Eighth Circuit—which includes Minnesota—have concluded "When an act violates more than one criminal statute, the Government may prosecute under either, and the decision is generally a matter of prosecutorial discretion. *United States v. Batchelder*, 442 U.S. 114, 123-124 (1979)" as cited in *United States v. Armijo*, 834 F.2d 132, 136 (8th Cir. 1987).

Thus, Mr. President, I urge my colleagues to consider and accept this amendment as they consider the Omnibus Anti-Drug Abuse Act of 1988. I do so because I believe that: First, persons who have drugs most often proselytize and induce others to use them; second, the burden upon law enforcement and Federal prosecution to prove intent of the possessor of unlawful drugs is unnecessary, time consuming, and expensive; third, the valuable resources of the judicial system are wasted in the pursuit of intent; fourth, existing statutes, namely 21 United States Code, section 844, adequately provide for the prosecution of persons who possess small quantities of drugs as addicts or mere users; and fifth, the development of drugs which are highly potent in small volumes such as "crack" blurs the distinction between drugs merely possessed and drugs possessed with intent to such that juries are confused and prosecution is made excessively difficult.●

By Mr. DECONCINI (for himself and Mr. McCAIN):

S. 2791. A bill to add additional land to the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; referred to the Committee on Indian Affairs.

#### SALT RIVER PIMA-MARICOPA INDIAN RESERVATION

● Mr. DECONCINI. Mr. President, today I am introducing on behalf of myself and my colleague, Senator JOHN McCAIN, a bill which authorizes the modification of the southern boundary of the Salt River Pima-Maricopa Indian Reservation in Arizona. The boundary modification is part of an agreement which has been negotiated by the State of Arizona and the Salt River Pima-Maricopa Indian Community to provide tribal lands for the eastern segment of the Outer Loop freeway. This freeway is important to the Phoenix metropolitan area which has been experiencing astronomical growth in the past few years. Once built it will alleviate the traffic congestion in the Phoenix area while

improving the transportation system serving the communities in the valley.

Under the negotiated agreement, the tribe will provide some of its reservation lands for the freeway. To compensate the tribe for the land it will give up, the bill adds lands to the tribe's reservation. The lands to be added to the reservation are BLM lands. The BLM will be compensated by the State with lands it owns. The bill we are introducing will authorize the exchange of State lands for BLM lands as well as the modification of the tribe's reservation boundaries to include the BLM lands after the exchange. Finally, the addition of the exchanged lands to the reservation will not occur until the actual right-of-way agreement has been signed by the State and tribe.

I want to commend the State of Arizona, the Salt River Pima-Maricopa Indian Community and the Bureau of Land Management for the cooperative spirit in which they have worked out this agreement. As a result of their fine work, we are much closer to realizing long-needed improvements in the Phoenix metropolitan freeway system. I urge my colleagues to join Senator McCAIN and me in support of their efforts by giving expeditious consideration to this bill. Thank you.●

● Mr. McCAIN. Mr. President, I thank my colleague, Senator DECONCINI. I am pleased to join him today to introduce this important legislation which will help clear the way for vital freeway construction work in the Phoenix area.

As you know, Mr. President, Arizona is one of our Nation's fastest growing States. Our highway and transportation needs have grown commensurately. To accommodate this rapid growth, we have embarked on the construction of new freeways in Phoenix and the surrounding communities. One of the vital components of this program is the Outer Loop, which will circle the Phoenix metropolitan area, relieving traffic congestion and providing easier access to cross town locations.

An 8-mile portion of the Outer Loop, Mr. President, known as the Pima Leg, will be constructed on tribal lands belonging to the Salt River Pima-Maricopa Indian Community. The measure we are introducing today seeks to compensate the tribe for the land it will relinquish due to the road alignment. The bill expands the reservation boundaries to encompass certain lands now held by the Bureau of Land Management. The BLM will in turn receive compensation from the State of Arizona.

Mr. President, great credit is due the Salt River Pima-Maricopa Indian Community, the State department of transportation, the Bureau of Land Management and the affected land owners for their cooperation and hard work in coming to the fair and equita-



ble arrangement embodied in this legislation. I look forward to working with my colleagues on this matter and urge its expeditious consideration and enactment.●

By Mr. ROTH:

S.J. Res. 377. Joint resolution proposing an amendment to the Constitution regarding federal taxation of State obligations; to the Committee on the Judiciary.

PROPOSED CONSTITUTIONAL AMENDMENT REGARDING FEDERAL TAXATION OF STATE OBLIGATIONS

Mr. ROTH. Mr. President, today I am proposing a constitutional amendment to overturn the supreme court's unfortunate decision in *South Carolina against Baker*, decided on April 20, 1988. In that case the Supreme Court construed the 10th amendment, the guarantee clause, and the doctrine of federalism implicit in the Constitution as conferring no rights on States to issue bonds free from Federal taxation. The ability to issue tax-exempt bonds has been and continues to be an important tool for our State and local governments to build schools, bridges, roads, hospitals, and many other public projects. The effect of the Supreme Court decision is to invite a revenue-hungry Congress to dine at the table of State and local governments.

Unless this decision is overturned, there is no question that Congress will accept the invitation to eat away at the tax-exempt status, now lacking constitutional protection, of State and local obligations.

Without wading into the niceties of the doctrine of intergovernmental tax immunity, the Court apparently was satisfied by the fact—perhaps, I should say, by the mere formalism—that Congress taxes State bonds by imposing the tax on the bondholder and not the issuer. What the Court overlooks is the practical impact of Federal taxation of State bonds, even if the tax is paid by the bondholder. To say that the payment of tax by the bondholder does not adversely affect the issuer is to deny reality.

In the early days of our republic, Chief Justice Marshall observed that "the power to tax involves the power to destroy." *McCulloch v. Maryland*, 4 Wheat, 316, 431 (1819). Later Justice Holmes was to observe that "the power to tax is not the power to destroy while this Court sits." *Panhandle Oil Co. v. Mississippi Ex Rel. Knox*, 277 U.S. 218, 223 (1928). In *South Carolina against Baker* the Court says, in effect, that it no longer cares about the "power to destroy" as long as the means of destruction are not direct and not discriminatory.

Well, I care. The power to tax does involve the power to destroy. We must, therefore, exercise Federal taxing authority with caution. States cannot be States in our federal system, they

cannot be sovereign, unless they have their very own source of revenue free from Federal encroachment.

The Supreme Court's admitted lack of concern over the deterioration of federalism stands in marked contrast to its vigilance in policing the separation-of-powers doctrine. While the Court has time and again declared the separation of powers among the three branches to be central to the Constitution and has been willing to upset established institutions to vindicate that central concern, the Court has clearly given notice that it will not police federalism in any similar way.

The irony is that federalism and the separation of powers were conceived by the framers as twin doctrines to safeguard political freedom. The framers believed—and so do I—that if the responsibilities of governing this country were divided between the Federal Government and the States and further dispersed among three branches, freedom would be assured and democracy strengthened. By dividing and separating powers, the opportunity for monarchy and for tyranny is foreclosed. Moreover, the power of the people is maximized since decisions of government are made by different officials, each responsible for a limited area. By holding different officials discreetly accountable for their welfare, the electorate exercises greater control over their destiny.

Once the genius of federalism is understood, it will come as no surprise that the decline in federalism has run concurrently with an increase in electoral apathy. The decline of federalism means that people are losing freedom and losing control of government. As every important issue becomes federalized, there is less and less that the people can do to influence government. More and more the electorate is confronted with all-inclusive Federal solutions by Federal officials. As Federal officials become the only officials that count, State and local offices become less relevant to the people.

This decline in federalism concerns me. While my proposed constitutional amendment does not address this problem in all of its ramifications, it does address the heart of the problem. For State sovereignty and local autonomy are nothing so long as burdens may be imposed on raising revenue.

The amendment that I am today introducing may not be the perfect answer, the last word. But it is the first step of a most important journey. I am well aware of how our Federal income tax laws got to be what they are. I am aware of past abuses by State and local governments, which our tax laws have addressed. But I am also aware that much we have done has been driven simply by the need to raise revenue. This must be stopped.

The simple elegance of the proposed amendment may strike some tax spe-

cialists as vague. But the Constitution should not address issues with the strict particularity of the Internal Revenue Code. There must be some flexibility. The courts will have to define the amendment's meaning on a case-by-case basis. And, more important, the courts will once again be commissioned to police this most critical aspect of federalism.

The amendment states simply that "the United States shall not have the power to lay and collect taxes on incomes derived from the obligations of the several States issued for a public purpose."

While the amendment borrows its phrasing from the 16th amendment, it is intended to be more than an exception to that provision. Rather it is, more broadly, an exception to the taxing power of the United States. The phrase "incomes derived from . . . obligations" refers to the interest income of the bondholder which the issuer is obliged to pay and not to any capital gain the bondholder may realize upon sale to another bondholder. The language thereby incorporates a historic distinction made between interest and capital gains with respect to tax-exempt bonds.

The amendment would not exempt all State obligations but only those "issued for a public purpose." This limitation is intended to address the concerns of many that a total exemption might be abused. Very often State and local governments undertake to aid private parties in obtaining financing. In striking a balance between the sovereignty of the several States and the Federal Government's revenue needs, it seems unnecessary to allow the State to lend its prerogatives to others at the expense of Federal revenue interests.

I would expect this limitation to receive careful scrutiny, for it establishes the breadth of the exemption. I recognize that the limitation differs from current tax policy, but current tax policy may have to yield to the paramount purpose of restoring some measure of federalism to our system. While I am not wedded to the specific limitation contained in my proposal and while I would welcome constructive alternative formulations, I must indicate my opposition to any changes that would undercut the purpose of according traditional protection to State bonds issued to pay for the essential functions of a State government.

Finally, while the language of my amendment includes no reference to any political subdivisions of the States, this is only customary constitutional drafting. The protection accorded to a State would flow to any of the State's subdivisions acting under State law.

Were it not for certain fears regarding the amendment process, it would not be necessary to begin the process of restoring a State prerogative in a Federal forum. But fears regarding State initiatives under article V have petrified into dogma, so that the mere specter of a runaway convention chills State proposals for constitutional amendments. The framers intended that States be able both to propose and to ratify amendments. But fears have atrophied State political muscle while at the same time the Supreme Court has abandoned the defense of federalism, so that it is here, in this forum, that repair must begin. Let us begin now.

Thank you, Mr. President.

Mr. President, I ask unanimous consent that my joint resolution be included as part of the RECORD at this point.

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

S.J. RES. 377

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:*

#### ARTICLE

The United States shall not have the power to lay and collect taxes on incomes derived from the obligations of the several States issued for a public purpose.

By Mr. HEINZ (for himself, Mr. SASSER, Mr. ROCKEFELLER, Mr. PACKWOOD, Mr. KERRY, Mr. ADAMS, Mr. HUMPHREY, Mr. GORE, Mr. EXON, and Mr. COCHRAN):

S.J. Res. 378. Joint resolution designating the week of October 2 through 8, 1988, as "National Wild and Scenic Rivers Act Week"; referred to the Committee on the Judiciary.

#### WILD AND SCENIC RIVERS WEEK

● Mr. HEINZ. Mr. President, I rise to introduce a joint resolution to designate the week of October 2 to October 8, 1988 "Wild and Scenic Rivers Week." This joint resolution will formally recognize and celebrate the achievements of the National Wild and Scenic Rivers Act over the last 20 years.

On October 2, 1968, the National Wild and Scenic Rivers Act was signed into law. This historic legislation signaled the beginning of concerted efforts to protect rivers in the United States. In the 20 years since its enactment, 75 of the Nation's riverine jewels have been permanently preserved through the implementation of the National Wild and Scenic Rivers

Act. The Wild and Scenic Rivers System today preserves over 7,700 miles of river in 28 States, and includes rivers ranging in character from bold, western whitewater, to southern blackwater bayous. Thanks to the foresight of congressional lawmakers 20 years ago, the lives of future generations of Americans will be enriched, as ours are today, by these national treasures.

The joint resolution I am introducing today, Mr. President, will also draw attention to the young and, as yet, unfulfilled Wild and Scenic Rivers System. Currently, only two-tenths of 1 percent of the Nation's rivers are protected by the act, while hundreds of deserving candidates await protection. The future of America's rivers depends upon the continued vibrancy of the Wild and Scenic Rivers Act, and the development of innovative river protection strategies. The National Park Service's State and Local River Conservation Assistance Program, as authorized by the Wild and Scenic Rivers Act, is working successfully toward this objective, but, ultimately, the future of our rivers lies with all who use and enjoy them.

I urge my colleagues to join me and the original cosponsors of this joint resolution, Senators SASSER, ROCKEFELLER, PACKWOOD, KERRY, ADAMS, HUMPHREY, GORE, EXON, and COCHRAN, in cosponsoring this resolution to help recognize the achievements of the past and draw attention to the needs of the future by designating the week of October 2, 1988 through October 8, 1988 as "Wild and Scenic Rivers Act Week."

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

S.J. RES. 378

Whereas river corridors are one of the most precious cultural and recreational values in the United States;

Whereas the Wild and Scenic Rivers Act provided for the establishment of a system of rivers to be protected as free-flowing streams for the public use and enjoyment for generations to come;

Whereas there are 3,500,000 miles of rivers in the United States, many of which are protected because of the establishment of the Wild and Scenic Rivers System;

Whereas the Wild and Scenic Rivers Act has encouraged through the State and Local River Conservation Assistance Program authorized by the act, the cooperative protection of river corridors by Federal, State, and local governments, private groups, and landowners;

Whereas public awareness of the importance of wild and scenic rivers must be raised and public and private cooperation encouraged to promote the continued protection of these precious river values; and

Whereas the Wild and Scenic Rivers Act was signed into law on October 2, 1968: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America*

*in Congress assembled, That the week of October 2 through 8, 1988, is designated as "National Wild and Scenic Rivers Act Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate programs and activities.●*

#### ADDITIONAL COSPONSORS

S. 702

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 702, a bill to provide for the collection of data about crimes motivated by racial, religious, or ethnic hatred.

S. 1340

At the request of Mr. PRYOR, the names of the Senator from Tennessee [Mr. SASSER] and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 1340, a bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles.

S. 1777

At the request of Mr. ARMSTRONG, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1777, a bill to amend title II of the Social Security Act to phase out the earnings test over a 5-year period for individuals who have attained retirement age, and for other purposes.

S. 2449

At the request of Mr. PRYOR, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2449, a bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes.

S. 2484

At the request of Mr. DANFORTH, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2484, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 2531

At the request of Mr. MCCONNELL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 2531, a bill to amend title 18 of the United States Code to create a criminal offense for public corruption.

S. 2666

At the request of Mr. STAFFORD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2666, a bill entitled the "Global Environmental Protection Act of 1988."

S. 2682

At the request of Mr. KARNES, his name was added as a cosponsor of S. 2682, a bill to provide that Members of Congress shall vote on any increase in the rates of pay of Members of Congress.



## SENATE JOINT RESOLUTION 296

At the request of Mr. SHELBY, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Texas [Mr. BENTSEN], the Senator from North Carolina [Mr. HELMS], the Senator from North Dakota [Mr. BURDICK], the Senator from Michigan [Mr. LEVIN], the Senator from North Carolina [Mr. SANFORD], the Senator from Hawaii [Mr. INOUE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. BREAUX], the Senator from Rhode Island [Mr. PELL], the Senator from Michigan [Mr. RIEGLE], the Senator from Massachusetts [Mr. KERRY], the Senator from Idaho [Mr. MCCLURE], the Senator from Missouri [Mr. DANFORTH], the Senator from Wyoming [Mr. WALLOP], the Senator from Illinois [Mr. DIXON], the Senator from Mississippi [Mr. COCHRAN], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from Illinois [Mr. SIMON], the Senator from Mississippi [Mr. STENNIS], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 296, a joint resolution designating April 1989 as "National Outdoor Power Equipment Safety Month."

## SENATE JOINT RESOLUTION 355

At the request of Mr. HEFLIN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 355, a joint resolution designating October 7, 1988, as "National Teacher Appreciation Day."

## SENATE JOINT RESOLUTION 361

At the request of Mr. PELL, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Joint Resolution 361, a joint resolution designating the week of September 25, 1988, as "Religious Freedom Week."

## SENATE JOINT RESOLUTION 363

At the request of Mr. SARBANES, the names of the Senator from Florida [Mr. GRAHAM], the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Rhode Island [Mr. CHAFFEE] were added as cosponsors of Senate Joint Resolution 363, a joint resolution designating November 28 through December 2, 1988, as "Vocational-Technical Education Week."

## SENATE JOINT RESOLUTION 369

At the request of Mr. KERRY, the names of the Senator from Alabama [Mr. SHELBY], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. WARNER], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Alabama [Mr. HEFLIN], the Senator from New York [Mr. MOYNIHAN], the Senator from Nevada [Mr. REID], the Sena-

tor from Michigan [Mr. LEVIN], the Senator from Texas [Mr. GRAMM], the Senator from Florida [Mr. CHILES], the Senator from South Carolina [Mr. THURMOND], the Senator from Kansas [Mr. DOLE], the Senator from Louisiana [Mr. BREAUX], the Senator from Virginia [Mr. TRIBLE], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 369, a joint resolution to designate the period of September 17 through October 10, 1988, as "Coastweeks '88."

## SENATE JOINT RESOLUTION 371

At the request of Mr. SPECTER, the names of the Senator from Utah [Mr. HATCH], the Senator from Nevada [Mr. REID], the Senator from Louisiana [Mr. BREAUX], the Senator from Rhode Island [Mr. PELL], the Senator from Massachusetts [Mr. KERRY], the Senator from Mississippi [Mr. STENNIS], the Senator from California [Mr. CRANSTON], the Senator from Connecticut [Mr. DODD], the Senator from Vermont [Mr. STAFFORD], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 371, a joint resolution designating October 1988 as "National Domestic Violence Awareness Month."

## SENATE JOINT RESOLUTION 373

At the request of Mr. BYRD, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Joint Resolution 373, a joint resolution to designate the week beginning November 13, 1988, as "National Craniofacial Deformity Awareness Week."

## SENATE CONCURRENT RESOLUTION 132

At the request of Mr. SIMON, the names of the Senator from Arizona [Mr. MCCAIN] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Concurrent Resolution 132, a concurrent resolution regarding the protection and promotion of human rights in the Republic of Singapore.

## SENATE RESOLUTION 471—AUTHORIZING THE PRINTING OF A HISTORY OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BURDICK (for himself and Mr. STAFFORD) submitted the following resolution; which was considered and agreed to:

## S. RES. 471

*Resolved*, That a history of the Environment and Public Works Committee be printed, with illustrations, as a Senate document.

SEC. 2. There shall be printed additional copies of such document, the number of which shall be determined by a one thousand two hundred dollars (\$1,200) maximum expenditure, for the use of the Environment and Public Works Committee.

SEC. 3. Printing and binding of said document shall be done in the manner as shall be determined by the Joint Committee on Printing.

## SENATE RESOLUTION 472—AUTHORIZING PRINTING OF BACKGROUND INFORMATION RELATED TO THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON (for himself and Mr. MCCLURE) submitted the following resolution; which was referred to the Committee on Rules and Administration:

## S. RES. 472

*Resolved*, That there be printed with illustrations a Senate document background information relating to the history of the Senate Committee on Energy and Natural Resources in connection with its 172nd anniversary (1816-1988) and in observance of the Bicentennial of the United States Senate; and that there be printed for the use of the Committee additional copies of such document not to exceed the cost of \$1,200.

## AMENDMENTS SUBMITTED

## RETAIL COMPETITION ENFORCEMENT ACT

## RUDMAN AMENDMENT NO. 3037

(Ordered to lie on the table.)

Mr. RUDMAN submitted an amendment intended to be proposed by him to the bill (S. 430) to amend the Sherman Act regarding retail competition; as follows:

Strike all beginning on page 3, line 10 through page 4, line 24, and insert in lieu thereof the following:

## "SEC. 2. FINDINGS.

"(a) Consumer welfare is greatly enhanced by an ability to purchase goods and services at lower prices as a result of vigorous price competition;

"(b) vertical price restraints generally have an adverse impact on competition that results in higher consumer prices;

"(c) recent court decisions have so narrowly construed the laws against vertical price restraints that consumer welfare has been put in jeopardy; and

Mr. RUDMAN. Mr. President, the amendment I am introducing today with my colleague from California, Senator WILSON, further clarifies the purposes of the S. 430 compromise reported by the Judiciary Committee this February.

The substitute amendment addresses both parts of the committee bill. First, it clarifies the original purpose of section (a)—to fill the gap left by the Supreme Court's decision in the *Monsanto* case. As in the committee report, the substitute still specifies what evidence, if presented, would be sufficient to send the case to the trier of fact. It explicitly states that the Court must

determine, in accordance with the Federal Rules of Civil Procedure, that there is sufficient evidence, direct or circumstantial, of a contract, combination, or conspiracy. The bill then clarifies that the evidence outlined in subparagraphs (B) (i) and (ii) normally constitutes evidence of collusion "if client to meet the standards of the bill."

The description of the evidence outlined in subparagraphs (B) (i) and (ii) has been slightly changed. The word "suggestion" has been deleted due to a concern about the meaning of an "implied suggestion." Under the amendment, it is still the case that the plaintiff must show an "express or implied" "request," "demand," or "threat." The plaintiff need not show specific use of the words "request," "demand," or "threat" in the communication between the manufacturer and the claimant's competitor. Such a requirement would create an impossible burden and frustrate the purposes of the bill. Instead, the plaintiff must show, as under the committee compromise, that the communication, in essence, constitutes a "request," "demand," or "threat."

The definition of the causation requirement in subparagraph (B)(ii) has also been changed. The purpose of this modification is to respond to concerns raised by several of our colleagues which, I believe, are primarily due to ambiguous language in the committee's report. The amendment we are offering would change the causation requirement from "a major contributing cause" to "the major contributing cause." The purpose of this change is to make clear that the communication described in subparagraph (B)(i) must not only be a significant reason, but also the major contributing cause for the termination or refusal to supply.

The addition of section 8(a)(2) emphasizes the fact that the Court continues to have the role of applying the standards of the amendment in accordance with the Federal Rules of Civil Procedure and the purposes of this legislation. It clarifies that if a reasonable person could only find the existence of a conspiracy by making implausible inferences, then the case should not go to the trier of fact.

This standard is consistent with current procedural interpretations of the Federal Rules of Civil Procedure. Vertical price-fixing cases frequently rely on circumstantial proof and inferences therefrom. Section 8(a)(2) does not mean that a case relying on such proof or inferences should be dismissed, unless the drawing of implausible inferences is the only way a trier of fact could find a conspiracy.

Second, the substitute amendment addresses section 8(b) of the committee compromise as well. As amended, section 8(b) would incorporate the previously accepted amendment exempt-

ing maximum vertical price fixing from the reach of the bill. Furthermore, it would deal with the recent Supreme Court decision in the Sharp case. In that case, the Supreme Court held that a termination of a retailer because of such retailer's pricing policies, that is, discounting, was not a "price related" termination unless the parties to the agreement agreed to set or maintain prices at a specific price or price level.

This decision defies common sense. After the Sharp case, it is doubtful that there will continue to be any vertical price-fixing cases brought because no manufacturer or retailer will be dumb enough to state expressly what is clearly implied by the termination.

Finally, section 4 of the substitute makes clear that a violation of section 1 or 3 of the Sherman Act requires the finding of an illegal contract, combination, or conspiracy. Section 5 of the substitute amendment incorporates a clarifying amendment which makes clear that the bill does not affect application of the rule of reason standard to vertical location clauses or vertical territorial restraints.

This is a commonsense amendment that consumers everywhere deserve. The changes made by this amendment should make the bill acceptable to any Senator who is concerned about balancing the interests of the consumers in his or her State against the very legitimate concern of not opening up the floodgates of litigation.

#### NOTICE OF HEARING

##### SUBCOMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., on Tuesday, September 20, 1988, in SR-301, Russell Senate Office Building. The committee will be considering the following two reports for the Senate: Report on Senate Operations and, pursuant to instructions by the Senate, the Report on Impeachment Proceedings.

On its legislation agenda, the committee will be marking up S. 1766, to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia, and a resolution to provide supplemental funding for the Special Committee on Investigations of the Select Committee on Indian Affairs. On its administrative agenda, the committee will be considering proposed regulations on senatorial suite selection following the general elections in November, 1988.

For further information regarding this meeting, please contact Carole Blessington of the Rules Committee staff on 224-0278.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, September 14, 1988, at 10 a.m., for a hearing on the Regulatory Reform: Federalism and the Regulatory Flexibility Act.

The PRESIDING OFFICER. Without objection, it is ordered.

##### SELECT COMMITTEE ON INTELLIGENCE

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 14, 1988, at 9:30 a.m. to hold a hearing on Intelligence matters.

The PRESIDING OFFICER. Without objection, it is ordered.

##### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the full Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on September 14, 1988, at 9:30 a.m. for a business meeting, pending calendar business.

The PRESIDING OFFICER. Without objection, it is ordered.

##### SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs, be authorized to meet during the session of the Senate on Wednesday, September 14, 1988, at 9:30 a.m., to hold a markup on the following bills: S. 187, the Native American Cultural Preservation Act; H.R. 3621, Southern California Indian Land Transfer Act; S. 2672, to be followed by a hearing on S. 2723, the Hoopa-Yurok Indian Reservation.

The PRESIDING OFFICER. Without objection, it is ordered.

##### COMMITTEE ON ARMED SERVICES

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, September 14 at 10:30 a.m. in open session to consider the nomination of Milton L. Lohr to be Deputy Under Secretary of Defense for Acquisition.

The PRESIDING OFFICER. Without objection, it is ordered.

##### SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, September 14, 1988, at 9:30 a.m. to conduct hearings on the staff concept papers regarding the National Affordable Housing Act.



The PRESIDING OFFICER. Without objection, it is ordered.

**SUBCOMMITTEE ON HAZARDOUS WASTES AND TOXIC SUBSTANCES**

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Hazardous Wastes and Toxic Substances and the Subcommittee on Environmental Protection, of the Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, September 14, beginning at 10 a.m., to conduct a hearing on the greenhouse effect and policies to mitigate adverse climate change.

The PRESIDING OFFICER. Without objection, it is ordered.

**SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS**

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on September 14, 1988, at 2 p.m. to receive testimony on H.R. 4068, a bill to amend the Archaeological Resources Protection Act of 1979 to strengthen the enforcement provisions of that act, and for other purposes; S. 1314, a bill to amend the Archaeological Resources Protection Act of 1979 to prohibit attempted excavation, removal, or defacing, and to reduce the felony threshold value of illegally removed artifacts to \$500; S. 1985, a bill to improve the protection and management of archaeological resources on Federal land; S. 2545, a bill to redesignate Salinas National Monument in the State of New Mexico, and for other purposes; S. 2617, a bill to revise the boundary of Aztec Ruins National Monument in the State of New Mexico, and for other purposes; S. 2750, a bill to authorize a study on methods to commemorate the nationally significant contributions of Georgia O'Keeffe; and S. 2767, a bill to authorize a study of the history and culture of Warm Springs, NM, in order to preserve its historic and cultural legacy for future generations.

The PRESIDING OFFICER. Without objection, it is ordered.

**ADDITIONAL STATEMENTS**

**UNITED STATES AS A HAVEN**

● Ms. MIKULSKI. Mr. President, news comes from South Africa that two United Democratic Front activists and a member of the National Education Crisis Committee have sought sanctuary at the United States consulate in Johannesburg.

Some people might see this incident as a ticklish diplomatic problem.

I see it as evidence that South Africans, like others around the world,

still see the United States as a haven for political outcasts.

The sanctions we have imposed against the Botha government have proved to the blacks in South Africa that we sincerely believe in the principles of our own Constitution—self-determination, individual freedom—and what we will take firm steps to extend those principles to others.

It is noteworthy that these men did not flee to the consulate of another African nation or another Western government. They went to the U.S. consulate.

These men are not guerrillas, terrorists or rabble rousers. They are highly regarded by our diplomats in South Africa but were imprisoned without charge by South African authorities under the emergency laws. Both the UDF and Education Crisis Committee are banned organizations. Given the way the South African Government treats responsible leaders like these, it's not hard to understand why blacks are turning in frustration to more radical activities.

I hope that in the days ahead Ambassador Perkins and our State Department will make it clear that these men are welcome, that they have reason to trust in our willingness to protect their persons and that we honor their cause. ●

**NOMINATION OF STUART SUMMIT**

● Mr. LEAHY. Mr. President, on August 10, 1988, the Judiciary Committee ordered the nomination of Stuart Summit to be U.S. circuit judge reported to the full Senate. This nomination was the subject of an extensive investigation by the Judiciary Committee, including two hearings at which the nominee testified. The transcripts of those hearings, as well as voluminous submissions for the hearing record from the nominee and other parties, are available for inspection by all Senators. For the benefit of Senators who may soon vote on whether to confirm this nomination, I offer the following brief summary of the issues considered by the Judiciary Committee.

Stuart Summit of New York has been nominated to be U.S. circuit judge for the Second Circuit. The nominee has spent most of his career in private practice in New York City, where he has conducted a diverse litigation practice, mostly representing mid-sized companies. Mr. Summit has also served from 1966-77 as the part-time executive secretary to the New York City Mayor's Committee on the Judiciary, and since 1977 as part-time counsel to the New York State Commission on Judicial Nominations. The nominee, who is 52 years old, holds undergraduate and law degrees from Ohio State University. He is generally

well regarded by most of the legal community in New York, and was rated "qualified" by the ABA, with a minority of the ABA Committee finding him "not qualified."

At his first hearing on April 21, the nominee was introduced by Senator D'AMATO. I then questioned him on the following topics: the process by which he was nominated, including the role of Deputy Attorney General Burns in the nomination process; his experience as an arbitrator; his service to the municipal and State judicial nominating committees; the transition from the advocate's role to the judge's role; his law firm's representation of certain tax shelter ventures; and his role in representing departing partners in the New York law firm of Kreindler & Kreindler.

In the law firm breakup case, Levy, Phillips, et al. versus Kreindler and Kreindler, the nominee represented the departing partners in the Kreindler firm, who were seeking to renounce their partnership agreement and make various claims on partnership assets. The most controversial aspect of the case concerned letters sent by the nominee's clients to various debtors of the Kreindler firm, asking them not to make payments to the Kreindler firm unless the checks were also made payable to the defecting partners. The Kreindler firm sought and obtained an injunction from a New York State trial court against the sending of the letters, which that court found were premised on a claim to accounts receivable which was not even colorable. An interim division of receivables was worked out before a different judge, who also presided over a protracted trial on the renunciation of the partnership agreement. The case was settled just before the jury was charged.

The nominee testified on April 21 that he advised his clients not to write these letters, but that under the circumstances, their refusal to follow his advice did not create an ethical conflict which would have required him to cease representing these clients. Mr. Summit denied sending any such letters over his own signature, but did admit that he signed a similar letter to a law firm that was indebted to the Kreindler firm, explaining the basis for his clients' request. Mr. Summit also testified that this case was "a terrible example of what lawyers can do to each other," and that this experience led him to coauthor a report to the Association of the Bar of the City of New York which proposed a mediation and arbitration system for disputes among lawyers.

The Kreindler case was also the principal subject of the second hearing on Mr. Summit's nomination on June 21, at which Senator SIMON presided. At the second hearing, Lee Kreindler,

a defendant in the case, testified that, in his opinion, Mr. Summit's actions in this case demonstrated disrespect for the law. In particular, he asserted that Mr. Summit's acquiescence in his client's actions in sending letters to debtors of the Kreindler law firm, urging them to halt payments to the firm, and his sending of a similar letter over his own signature, was an unethical attempt to coerce a favorable settlement of his clients' claims by cutting off the firm's cash flow. Mr. Kreindler also asserted that the nominee had acted fraudulently in his counseling of his clients prior to their renunciation of the partnership agreement, and the witness was questioned on this topic by Senator SPECTER, and asked to submit additional testimony on this issue. Following Mr. Kreindler's testimony, the nominee resumed his testimony. He denied the allegations of fraudulent conduct, and testified that his conduct throughout the litigation met professional standards.

In addition to the testimony taken at the two hearings, extensive materials were submitted for the record with respect to the Kreindler case, including statements of other counsel in the case and of the trial judge, an ethical opinion from a professor at Fordham Law School, and posthearing submissions from the nominee, his law partners, his principal client in the case, and Mr. Kreindler, among others. In the most recent of Mr. Kreindler's submissions, he withdrew his allegation that the nominee was "guilty of fraud in concealing his role" in advising his clients about leaving the Kreindler firm. However, he reiterated his charge that "Mr. Summit utilized the legal process as an instrument of coercion," and that "this attitude of mind toward the use of the legal process disqualifies him for a judgeship." This material is available in the committee's public files.

Other issues addressed in the committee's investigation of Mr. Summit's nomination, and in the hearings and written questions to the nominee, may be summarized as follows.

#### I. THE NOMINEE'S CONNECTIONS WITH FORMER DEPUTY ATTORNEY GENERAL ARNOLD BURNS, AND BURNS' ROLE IN THE NOMINATION

Messrs. Summit and Burns were law partners until Burns became Deputy Attorney General in 1985. Mr. Burns first contacted Mr. Summit in mid-June, 1987, about a possible nomination to the Second Circuit. The nominee testified at the first hearing that this was the first contact he had with anyone in the administration about the Second Circuit seat, and the only conversation he had with Mr. Burns concerning matters within Burns' purview at Justice. Within 2 to 3 weeks, the nomination had been approved within Justice and signed off by the White House, a process that frequently takes several months or even longer.

Press reports, quoting anonymous senior Justice Department sources, indicate that Burns derailed all other candidates for the position, and pushed Summit, a nominee who, according to these sources, would not otherwise have been seriously considered, let alone selected.

The committee's investigation focused on three issues related to how Mr. Summit became the nominee, and the propriety of Mr. Burns' role in that process.

#### A. JUDGE KAUFMAN'S RETIREMENT

In September 1987 press reports raised the allegation that Attorney General Meese and others in the Justice Department and White House had sought to induce Judge Irving Kaufman to take senior status thus opening up the agency to which Mr. Summit was nominated by offering Judge Kaufman the Presidential Medal of Freedom if he retired. When questioned about this at the first hearing, the nominee denied any knowledge of the reasons for Judge Kaufman's retirement or the timing of his taking senior status.

#### B. LEGALITY OF BURNS' EFFORTS TO PROMOTE SUMMIT'S NOMINATION

Press reports appearing in late June and early July indicated that the Criminal Division of the Justice Department had opened a probe to determine whether appointment of an independent counsel should be sought to investigate whether Burns had committed a criminal violation of the Ethics in Government Act through his efforts on behalf of the Summit nomination. It was alleged that, at the time he was advocating Summit's nomination, Burns was still receiving severance payments from the law firm of which Summit still is, and Burns was, a member, and also that Burns and Summit were at the time both investors in two real estate ventures in the United States and a medical research project in Israel.

These allegations, while not necessarily reflecting directly on Mr. Summit's qualifications for the post to which he has been nominated, raised potentially disturbing issues concerning the integrity of the judicial selection process. On July 14, I wrote to the Justice Department, on behalf of the committee, requesting that the status of this investigation be clarified. By response dated July 22, Acting Assistant Attorney General Thomas Boyd reported that there had been a review of the issues raised by these news stories, but that the matter was closed because there was no information warranting further investigation as to whether Mr. Burns had violated the criminal conflict of interest laws. Mr. Boyd's letter stated that the review did not include an examination of Mr. Summit's actions or his contacts with Mr. Burns or other officials of the Jus-

tice Department, with respect to his own nomination.

#### C. BURNS' TAX SHELTER ACTIVITIES

News reports appearing shortly before the first hearing on the Summit nomination indicated that Burns' and Summit's law firm had been involved in the creation of several tax shelter operations promoted by Edward Levine and Stephen Goldman. The IRS had subsequently challenged some of these tax shelters as fraudulent. Mr. Burns had invested personally in one or more of these tax shelters.

At the hearing on April 21, I asked the nominee about these reports, particularly as they related to the Bahamas corporation called Hecogenin Synthesis. Mr. Summit did not dispute the reports that his law firm had drafted a private stock offering for Hecogenin, prepared an investment advisory paper on the tax advantages of investing in Hecogenin, served as the corporation's counsel, and performed other legal work for Hecogenin. He testified that he had no personal involvement in bringing this work into the firm or in performing it. He did not invest in Hecogenin. The matter came to his attention some years later, in 1986, when, in preparation for a tax court trial in Los Angeles in which the IRS was challenging the tax returns of some Hecogenin investors, we learned of things that led us to resign from any further representation of Hecogenin, a decision that the nominee made along with other partners in his firm. The nominee declined to discuss the reasons for the resignation, referring to the attorney-client privilege. Two of the nominee's partners most involved in representing Hecogenin were called to testify at the trial in Los Angeles, and Mr. Summit accompanied them there. He described his role as preparing the partners to testify and to make sure that the judge of the tax court ruled on any privilege issues that might come up. Mr. Burns testified as a Government witness at that trial, but Mr. Summit did not represent him or have any contact with him in the context of that case.

In response to posthearing written questions, the nominee reported that his firm had provided similar legal services to about a dozen of Levine's and Goldman's tax shelter ventures, but had resigned from representation of all of them in July 1986, under the same circumstances in which the firm had withdrawn from representing Hecogenin. The nominee did not invest in any of these ventures.

#### II. SUMMIT'S REPRESENTATION OF BARRY TRUPIN

##### A. THE VILLAGE OF SOUTHAMPTON CASE

In recent years, the nominee has devoted considerable time to the representation of Barry Trupin in a continuing dispute with the village of Southampton, NY. Mr. Trupin, a self-



made multimillionaire, bought a dilapidated mansion in Southampton and began to restore and enlarge it into a grandiose residence. He failed to seek building permits and zoning variances for many of his construction plans, and the village issued a stop-work order while construction was in progress. There followed a series of lawsuits.

First, Mr. Summit represented Mr. Trupin in State court proceedings to overturn various actions of the village and its boards with respect to Trupin's property. These were mostly unsuccessful. Then, in 1984, Mr. Trupin, again represented by the nominee, filed a civil rights lawsuit in Federal court, charging the village and various officials thereof with violating his constitutional rights through their decisions preventing him from carrying out his construction plans. Mr. Summit withdrew from active participation in the case in late 1987, after he was nominated to the Second Circuit. In March 1988, after a 4-week trial, Trupin received a jury verdict of nearly \$2 million for civil rights violations committed by the village. The committee understands that the verdict will be appealed.

Several questions have been raised about the conduct of the nominee and of his client in this case. The case has obviously been a matter of consuming public interest in Southampton for many years, and feelings run high on both sides. In posthearing written questions, Mr. Summit was asked to address several allegations, as follows:

#### 1. GENESIS OF THE FEDERAL LAWSUIT

Press reports obtained by the committee indicated that the Federal lawsuit was filed when the village was 2 days late in responding to a settlement proposal made by the nominee on Mr. Trupin's behalf. The nominee's responses to written questions indicated that settlement discussions began in July 1984 on his initiative. As discussions progressed, Mr. Summit delivered a written settlement proposal to Orson Munn, one of the village trustees, on August 2. The proposal requested a prompt response, and if accepted, the prompt removal of the stop-work order so that construction could proceed pending full consummation of the settlement. Mr. Summit also told Mr. Munn orally that the offer would expire in 10 days, and that he might not be able to persuade his client to abide by the proposal if acceptance took longer than that. Mr. Summit said that he was told that the village had some problems with the proposal; that in any case he was told that the stop work order would not be immediately lifted even if the settlement was accepted in principle, and that I have no recollection of the village ever communicating its agreement to the settlement proposal. Trupin instructed Summit to with-

draw the settlement proposal and file the lawsuit. The lawsuit was filed August 14, 12 days after the settlement had been proposed.

At the committee's request, Orson Munn reviewed these answers. His recollection is substantially different from the nominee's. Mr. Munn says that settlement discussions in 1984 were initiated by the village, not Trupin or Summit. He says that acceptance of the proposal would automatically lift the stop-work order, and described as pure fiction the nominee's assertion that, "even if the [settlement] proposal were accepted in principle, it might be months before it would be implemented and the stop work order removed." Mr. Munn states that he communicated the acceptance to Mr. Summit on the 12th day, as soon as all the relevant village boards had approved the proposal. Mr. Summit's response was to say good or great followed immediately by the filing of the lawsuit.

After the lawsuit was filed, settlement discussions continued sporadically, and have continued after the jury verdict as well. The issue of which side is at fault for the failure of settlement negotiations to forestall the filing of what turned out to be a costly, protracted and divisive lawsuit, and of Mr. Summit's, as distinguished from Mr. Trupin's, role in this failure, remains unresolved.

#### 2. TRUPIN'S ATTEMPT TO AMEND THE COMPLAINT

The complaint in the Federal lawsuit, filed in 1984, named as defendants several village officials—all of them part-time officials—in their official capacities. In December, 1987, just before the Federal lawsuit went to trial, Mr. Trupin sought to amend his complaint to seek compensatory and punitive damages from the village officials personally. The judge denied this motion, criticizing Trupin's lawyers for holding back this piece of strategy, and stating he was appalled at this 11th-hour attempt to expand dramatically the defendants' exposure. The nominee was quoted in contemporaneous press accounts concerning the judge's ruling on this motion, but in response to written questions, he stated that he had largely withdrawn from the case by that point, and that the motion was filed and argued by one of his partners. He also pointed out that Mr. Trupin intended to appeal the denial of the motion to amend the complaint, and that the judge allowed the time spent in preparing it among the hours considered in awarding attorneys' fees after the verdict in the case.

#### 3. PRESS LEAKS AND SUMMIT'S ROLE

Village officials and their counsel brought to the committee's attention that two press reports, one in the State court litigation and one during the Federal case, appeared to have been based on leaks from sidebar con-

ferences, and apparently were embarrassing to their side of the case. They thought that the nominee who is quite prominent in press coverage of the case was responsible. The nominee responded that, as to the State court case, he repeated one-court testimony to a reporter who inquired about it. Subsequently, the judge asked all counsel not to talk to the press, and Mr. Summit said he complied with this request. In the Federal case, the nominee stated that, because of his withdrawal from the case by the time of trial, he did not participate in any sidebar conferences. He did state that on the one day he was in court, he sat in the spectators' section, but that he came up to the bench and stood in the back of a group of many lawyers when the judge announced, during a jury recess, that settlement discussions had not borne fruit. He does not state whether he disclosed to the press what he heard at that time. Mr. Summit's partner also submitted a statement referring to another incident during the Federal trial in which statements in a sidebar conference may have been overheard by a reporter sitting in the public section of the courtroom.

The extent of Mr. Summit's withdrawal from the case has also been put in issue. Some of his adversaries maintain that he was actively involved in the trial, and that he commented frequently in the press about the case. Mr. Summit responded that he sought to withdraw from the case as much as possible without injury to the client, and that the extent of his continuing activity in the case was based on his judgment call about how involved he should be in a case that might be appealed to the court to which he had been nominated.

#### 4. OTHER ISSUES INVOLVING THE SOUTHAMPTON CASE

In this hotly contested and controversial case, which appears to have dominated Southampton local politics for some years, numerous other issues have been raised. For example, Mr. Trupin's motion to hold the village officials individually liable for punitive damages appears to be based on an allegation that some of the officials were involved in an extortion scheme directed at Trupin. The judge's reported comments on the motion suggest that he believed this charge has little if any support in the record, but it understandably has inflamed some of the defendants and defense counsel. However, it does not appear that this reaction led to any motions for sanctions under rule 11 of the Federal Rules of Civil Procedure or disciplinary complaints directed against Summit. The committee also considered evidence of two representations allegedly made on the nominee's behalf to village officials which they considered improper.

## B. OTHER MATTERS INVOLVING BARRY TRUPIN

While Mr. Summit's nomination was pending before the committee, a great deal of information was received concerning alleged improper or illegal conduct by Barry Trupin, the nominee's client in the village of Southampton case. For example, a source advised that Trupin's tax shelter activities, involving computer leasing and other ventures, had been under investigation by the IRS, the New York attorney general's office, and other law enforcement agencies. This source alleged that Mr. Summit was involved in these matters under an agreement with Trupin that guaranteed Summit's law firm the legal work if any of these ventures were questioned by tax or other law enforcement authorities. It was alleged that many investors lost money in these ventures when their deductions were disallowed, but that Summit's law firm profited from them, and that Trupin, who has been described in magazine articles as the master of the corporate veil, had no personal exposure for liability for these illegal or improper activities. This source later furnished the committee with a list of some of the corporate entities allegedly established by Trupin as part of this scheme.

In written questions, Mr. Summit was asked about his and his law firm's involvement with these entities, or other legal work performed for Trupin. He responded that, aside from the Southampton case, he personally had represented Trupin or his entities in only one other case, a lawsuit for specific performance of a real estate contract. He also played an advisory role in a dispute which arose over the sale of computers in which one of Trupin's entities had an interest. Mr. Summit never invested in any of Trupin's business ventures, and had no other relationship with him beyond the attorney-client relationship in the Southampton case and the other cases referred to above. Other lawyers in his firm did perform other legal work for Trupin, including: First, organizing and rendering tax opinions with respect to 13 entities during 1977-79; second, negotiating tax settlements on behalf of investors in 16 entities during 1977-81; third, representing one entity in an IRS inquiry into whether it was an abusive tax shelter, in 1984; fourth, representing five entities in an inquiry by the New York State attorney general; fifth, defending numerous Trupin entities in 10 lawsuits brought by investors in connection with the threatened or actual disallowance of Federal income tax deductions; sixth, representing numerous Trupin entities, and, in 2 cases, Trupin himself, in 8 lawsuits arising from commercial disputes.

In light of Mr. Summit's statement that he personally has not represented Trupin in other matters and has no in-

volvement with his other business ventures, except as described above, the committee has not pursued numerous other allegations against Trupin which have been received.

Mr. President, as the foregoing summary indicates, the Judiciary Committee considered a great deal of information while this nomination was pending before it. The committee has endeavored throughout to maintain a focus on the nominee's qualifications for the post to which he has been nominated, as distinguished from allegations that principally concern Mr. Summit's clients, partners or other associates.●

#### REPORT OF THE COMMITTEE ON THE JUDICIARY PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

● Mr. BIDEN. Mr. President, section 302(a) of the Congressional Budget and Impoundment Act requires the Senate Budget Committee to allocate total budget authority, total budget outlays, and total credit authority among the several committees of the Senate. The act further requires each Senate committee receiving a 302(a) allocation to file a report as to how such allocation has been divided among its own subcommittees.

As chairman of the Committee on the Judiciary, I hereby submit a report detailing the outlays, new budget authority and new credit authority within the jurisdiction of each Judiciary subcommittee for fiscal 1989.

I ask unanimous consent that the subcommittee allocations for the Committee on the Judiciary be printed in the RECORD at this time.

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

#### COMMITTEE ON THE JUDICIARY CONGRESSIONAL BUDGET ACT 302(b) ALLOCATION OF ACCOUNTS, FISCAL YEAR 1989

(In millions of dollars)

	Direct spending	Budget authority	Outlays	Credit
Full committee.....		423	410	0
Subcommittee:				
Immigration.....		840	798	0
Antitrust.....		0	0	0
Constitution.....		0	0	0
Patents.....		71	71	0
Technology.....		0	0	0
Courts.....		124	112	0
Total <sup>1</sup> .....		1,459	1,392	0

<sup>1</sup> Totals may not add due to rounding.●

#### TOM HANDY

● Mr. McCONNELL. Mr. President, my commitment to broad public participation in free and fair elections is unwavering as illustrated by my sponsorship of the Election Fraud Prevention Act of 1987 and the Anti-Public Corruption Act of 1988. Even today, Mr. President, I introduced a strength-

ened version of this legislation known as the anticorruption bill of 1988.

A good friend and constituent of mine, Mr. Tom Handy, shares my desire to restore the integrity of elections. He served on the State attorney general's task force on election fraud and recently presented evidence of election abuses to a grand jury that led to several indictments. Thus, I am sure all of my colleagues can understand now delighted I was to learn that Tom had been named the Commonwealth's Attorney of the Year.

In addition to his work on behalf of election reform, Tom was recognized for his outstanding efforts in the formulation of child abuse legislation and the promotion of economic development in southeastern Kentucky.

Tom's impressive record of community service includes membership in the Laurel Arts and Recreation Commission, the Chamber of Commerce, and the Kiwanis Club. He even worked on Capitol Hill as an aide to former Congressman Tim Lee Carter before becoming assistant commonwealth's attorney in 1975.

Mr. President, I would like to have printed in the RECORD an article about Tom that appeared in the Times-Tribune that further details his well-deserved recognition as Attorney of the Year.

The article follows:

#### HANDY IS NAMED COMMONWEALTH'S ATTORNEY OF THE YEAR AT CONFERENCE

(By Susan Davis)

A local attorney has been recognized for his contributions to his profession and community during a recent state conference.

Tom Handy of London is the recipient of the 1988 Commonwealth's Attorney of the Year award given by Kentucky's Attorney General Fred Cowan.

Handy, who is the commonwealth's attorney for Laurel and Knox Counties, was honored during the Kentucky Prosecutors Conference in Louisville on Saturday.

During the ceremony, Cowan noted that Handy had served on the Attorney General's task force on election fraud and had recently presented evidence to a grand jury on election abuses that resulted in a number of indictments. He also praised Handy on how he handled the highly publicized Donald Harvey prosecution and for his involvement in key economic development projects in the London-Corbin areas, said a spokeswoman for the Attorney General's office.

Cowan also presented Handy with a certificate of Merit for his service to citizens of Kentucky and to the unified prosecutorial system. The certificate was awarded to Handy for his help in passing election reform legislation during the 1988 General Assembly, said the spokeswoman.

Handy has also drafted and worked on legislation concerning the problems of child abuse.

Professionally, his credits include membership in the Kentucky Bar Association and past president of the Laurel County Bar Association.

Handy is past president of the Kentucky Commonwealth's Attorney Association.



He has served as vice-chairman of the Laurel Tourist Association, chairman of the Laurel Arts and Recreation Commission, member of the Chamber of Commerce and Kiwanis Club.

Handy has also served as a charter member of an association to promote tourism in southeastern Kentucky and has contributed his time to the Laurel Lake Development Association.

His devotion to this profession and community has not gone unnoticed. He is a two-time recipient of the Redford Award, an honor given by fellow Commonwealth's Attorneys for contributions to the profession. He was also a Laurel County Homecoming Honoree last year.

The native Laurel Countian is the son of Lou Handy, a retired teacher, and the late C.F. Handy, a London businessman.

After graduating from London High School, he earned a bachelor's degree in history and government from Central College. He finished his first year of law school at Wake-Forest and earned his Juris Doctorate from the University of Kentucky's School of Law.

He was an administrative and legislative assistant to the former congressman Tim Lee Carter. In 1971 he began a private practice in London and was assistant commonwealth's attorney in 1975.

Handy and his wife, Bonnie, reside in London with their two children, Dennie Beth and Starr. ●

#### STUDENTS FROM UNIVERSITY OF ILLINOIS GEAR UP FOR PARALYMPICS IN SEOUL

● Mr. SIMON. Mr. President, since 1947, the University of Illinois has been providing comprehensive educational opportunities for college students with disabilities. Among many quality programs, the University of Illinois on the Urbana-Champaign campus offers an outstanding wheelchair sports program which is being used as a model for other universities and colleges across the country.

Nine students and two faculty members involved in wheelchair athletics at the University of Illinois have been selected to participate in the Paralympics in Seoul this fall. This is a remarkable accomplishment since the entire U.S. team numbers less than 100 wheelchair athletes.

The university can also be proud of the fact that their men's team won the National Intercollegiate Wheelchair Basketball Championship in Kansas City this April.

I would like to take this opportunity to congratulate these athletes on their fine accomplishments and commend everyone at the University of Illinois who has had a part in making this program such a success. I wish the best for those going to Seoul as they train and prepare for the competition. We will be watching with pride and high hopes for them all. ●

#### TRIBUTE TO HAROLD AND IANTHA LEVANDER

● Mr. DURENBERGER. Mr. President, one of Minnesota's "First Families" will celebrate a major milestone this week when friends of Harold and Iantha LeVander gather to celebrate this very special couple's 50th wedding anniversary.

My personal kinship with the LeVanders dates to the mid-1950's when I went to work as a young attorney for Harold's law firm in South St. Paul. It continued through my service as Harold's chief of staff when he was Governor of Minnesota from 1967 to 1971. And, that friendship and respect for both Harold and Iantha continues today.

Although he was elected to Minnesota's highest State office, Harold LeVander never saw himself as a partisan politician. I still remember standing behind him at the press conference when he announced he would not seek a second 4-year term. In his typically brief but eloquent manner, Harold repeated his philosophy of public service when he called public office, "an honorable, but temporary privilege."

Prof. Art Naftalin, a biographer of Minnesota's 20th century Governors, called Harold, the citizen politician.

"Harold LeVander," Naftalin said in his 1980 video biography on the State's 32d Governor, "was not a politician, but he saw his duty as a citizen and he did it."

This strong sense of public service ruled Harold LeVander's life. And, it has also been a commitment shared by his wife, Iantha, who has been active in numerous civic organizations and served as Republican National Committeewoman from Minnesota in the 1970's.

Many Minnesotans recall how the whole LeVander family's commitment to serving became a real asset in Harold's campaign for Governor in 1966. Besides the tireless campaigning done by Iantha, the LeVander's three children—son, Hap, and daughters Jean and Diane—were visible and active on their own. After the election, Hap took over his father's law practice and Jean became a speech writer in the Governor's office. Jean later served as chief of staff to a succeeding Governor, Al Quie.

This strong family support certainly helped make Harold LeVander the outstanding public servant he continues to be today. A preachers son and lay Lutheran minister, Harold also used a strong moral base to guide his public service. And, he was able to use his chosen vocation—the practice of law—to aid individuals and organizations all over Minnesota in their pursuit of fairness and opportunity.

That background and experience—in church work and representing clients that included Minnesota livestock pro-

ducers and rural electric cooperatives—provided what biographer Naftalin called, "a network of supporters rivaling that of a political party."

Harold LeVander's record of accomplishment as Governor is impressive and well-known. During his 4 years in office, he was instrumental in establishing one of the Nation's first State human rights commissions. He was a key player in establishing the pioneering Twin Cities Metropolitan Council. He had a strong progressive record on the environment, helping to establish one of the first State Pollution Control Agencies and helping launch what is now Voyageurs National Park.

As Governor, Harold LeVander was a strong supporter of education and local government. He promoted expanded support for what he called the lighted schoolhouse, now the State's system of community education, and for creating what are now the State's Regional Development Commissions. And, he helped engineer legislative approval for a new system of State aid to local governments—really a forerunner of Federal Revenue Sharing which he also helped build support for within the National Governor's Conference.

I remember Harold's time as Governor as one in which more citizen participation in decisionmaking was encouraged. He was forever establishing "citizen councils" to gather and direct public input. And, he was a strong supporter of Minnesota's State constitutional amendment lowering the voting age, an act which was approved by the Minnesota Legislature and voters prior to ratification of the Federal voting age amendment in 1971.

The family values and traditions which have guided Harold and Iantha LeVander through a lifetime of public service are the same values they celebrate this week on their 50th wedding anniversary. And, they are strong values and traditions which are evident in an essay which Harold wrote at the time he was inaugurated as Minnesota's 32d Governor.

Mr. President, because of the outstanding contributions made by this very special couple, I ask that this essay—published in 1967 in the Minneapolis Tribune—be printed in the RECORD.

The essay follows:

HAROLD LEVANDER RECALLS "WHAT I REMEMBER MOST"

(By Harold LeVander)

One of my earliest recollections is just before I was 3 years old when my family arrived by train in St. Paul from Swedehome, Neb., after my father had accepted the call to be pastor of North End Immanuel Lutheran Church. We were met at the depot by Ole Hedman, and I had my first ride in an automobile—in fact, it was the first time I had ever seen an automobile. It was a large Reo, the wheels of which had large yellow wooden spokes.

Another incident with which Hedman was connected, and which became an oft-repeated occasion, was when he offered me a cigar. My father smoked cigars but never in public and was constantly vowing to quit. When Hedman offered me a cigar, as a joke I recalled Father's oft-repeated statement and replied in Swedish, "Ja Har Slutat at Roka" (I quit smoking).

In St. Paul we lived at 999 Mathilda Av., which was two blocks from a fire station manned by a staff of Negro firemen who drove a span of four white horses on the fire wagon. Three times a week they would go through rehearsal, and my older brother, Ted, and I were regular spectators for almost every rehearsal. When the gong rang, the men slid down the brass pole from the second-floor dormitory, the harnesses were suspended on clasps above the station, the doors of the stalls opened with the sounding of the gong, and the horses, without assistance, took their stations in front of the fire wagon. The pulling of a lever caused the harnesses to be dropped down and they were clasped on in a matter of seconds. The driver mounted the seat and the horses galloped out of the station, all of which was accomplished in less than two minutes.

I also clearly recall the many trips I had on Father's shoulder from the streetcar which stopped four blocks from our house. Between the streetcar stop on Rice St. and our home there were at least three taverns. If we came home from a visit after dark, Father would throw me over his shoulder and carry me from the streetcar stop to our house.

Our playmates were the Lindstrom boys next door who were the same age as Ted and I. We had a large barn on the back end of the lot where the former pastors had kept horses. There were hundreds of sparrows in or around the barn, and almost every week we found a dead bird for which we would put on an elaborate funeral, using a cigar box as a casket and digging a grave alongside the fence between the Lindstrom house and ours. Father was accustomed to wearing a clerical vestment in the form of a long black cape. Usually my brother, Ted, acted as the minister and used one of Mother's aprons tied over his back to represent Dad's vestment as he conducted the funeral service.

From St. Paul we moved to Atwater, Minn., in Kandiyohi County. Dad served the church both in Atwater and Grove City. Because of the two parishes, my father had to buy an automobile, so we had our first experience with a Dodge. Ted and I had to alternate every other Sunday in riding with Dad to Grove City, so every other Sunday we heard the same sermon twice and, besides going to Sunday School, attended two services and sometimes a fourth church meeting in the evening.

Our first employment was working on the Atwater Nursery Farm picking strawberries for which we were paid three cents a quart. As soon as the strawberries were through we started with raspberries. When that season closed we picked gooseberries, and by that time the plums had ripened and we picked plums and then apples. As we grew older and could handle farm work, Ted and I hired out in the summer for a few months as hired hands, milking cows in the morning and then cultivating corn until the haying season started. We went through the haying season, then shocked and threshed grain, filled the silo and picked corn before returning to school in the fall.

Our home in Atwater was across the street from the school. There being no girls in our family, Ted and I always had to do the dishes. Even after the noon meal, we would have to wash and dry the dishes until the school bell rang. Then we dropped the towels and scooted across the street in time to get to our classrooms.

I started in athletics at Atwater as a freshman in high school, playing my first basketball game at Litchfield. My determination apparently outran my dexterity because I was put out on personal fouls in four minutes.

From Atwater we moved to Watertown, Minn., in Carver County when I was a sophomore in high school. I remember riding in April with a man named Conrad Aundahl in the truck hauling our furniture. Between Montrose and Watertown, we got mired in a pothole up to the axle, and it took two teams of horses to pull us out.

In Watertown I worked in the summertime driving the Watertown Motor Express, hauling livestock to South St. Paul and assembling farm machinery. In the fall I managed three threshing crews for my boss, Rick Johnson.

Although our classes in school were not large, we were fortunate in having several boys all over six feet and developed a basketball team that was the pride of the community. We played in the City Hall where there were no showers. After practices we dried ourselves with towels, put on our long winter underwear, mackinaws and stocking caps and walked a little over a mile home. The same bunch of boys also played football and in our senior year didn't lose a game. We also had a first class baseball team and a track team.

My father was an avid fisherman and we used to make frequent trips to Lake Pulaski north of Buffalo, Minn., or to Clearwater Lake near Waconia, Minn., to fish sunfish. Since it was our practice to clean the fish as soon as we came to shore, we set up a chain operation in which one scaled, another cut the fins and gutted them and the third washed them. As a result of that early fish cleaning experience, just like washing dishes (which I did for my board in college at a boarding club), we soon learned that it takes less time to do a chore than to argue between the brothers as to which one should do it.

My first speaking experience came when I gave a recitation at a children's festival Christmas program. In high school, I started both debate and oratory. My coach was my father, whose strongest asset as a clergyman was his pulpit ability. He used to go with me up to the church hall, and I would practice by the hour on delivery, gestures, voice projection, pauses, transitions and all of the platform techniques with which Father was familiar.

College and law school days were tremendously exciting and interesting. Playing football under the tutorship of George Myrum at Gustavus Adolphus College left lasting impressions. His emphasis on fighting hard, but also reminding us that sportsmanship would be expected from us as representing a church school, is well remembered. The influence of people has a most significant way of shaping our lives. My brother, Ted, and I roomed together for three years at college. If I threw my sweater on the bed or scattered my books on the table, I was subjected to a dressing down that eventually led to my hanging them up and putting them away rather than precipitating an argument.

Dr. Evan Anderson, my speech and debate coach, with his incisive criticism such as "I don't want to hear any third-grade dribble," underscored the necessity of organization and research. There was also the fun side because of his great sense of humor. On one debate trip to Iowa, we hired a driver with whom Prof. Anderson decided we should have a little fun. He got all of the debaters in the car to insist with him that there were two center line stripes on the highway. The driver finally became doubtful of his own eyesight and stopped the car to get out to have us point out where the two stripes were. Actually, of course, there was only one.

I took all of the history courses offered by Dr. Conrad Peterson, an outstanding teacher who also had a sense of humor. I recall his telling us that in the early church they used the word "hell" in the creed, but then they thought that was pretty raw so they changed it to "Hades." "But," he said, "now they have gone back to 'hell' again."

At the University of Minnesota Law School, Dr. Harvey Hoshour and Dr. Henry Rottschaefer exemplified the kind of teachers who were thorough masters of their subjects and also had the ability lucidly to explain a complex problem to the class. Rottschaefer was a master of long sentences but exceedingly accurate delineation and could remember precisely what he wanted to put across. One day in the middle of winter, during a heavy snowstorm, he stopped in the middle of one of his long sentences, pointed out the window and said, "Did you ever see any bigger snow flakes?" Then he picked up his sentence and completed the accurate legal definition he had been expounding.

After law school, I sat behind Harold Stassen at the counsel table for three years and witnessed the skill and technique of an exceedingly able trial lawyer. It is, of course, impossible to pinpoint the effect and influence of all of the clients and people you meet while practicing law but from many you are left with indelible impressions. Harry Edmunds, the first president of the State Association of REAs and who was known as "Mr. REA," taught me many things about co-operation, not the least of which was his insistence that neutrality in religion and politics was essential if a co-operative was to achieve its fundamental purpose.

Of all the people whose influence had been significant in my life, none had been greater than that of my father. Through his table conversations on behavior, religion, service and politics, I gained the basic attitude and philosophy of life. Through his sermons and watching the example of his effort to practice what he preached, one could not help acquiring a basic idea of what life was all about. Added to this was the influence of my mother, whose devotion to her husband and her three boys exemplified the highest characteristics of an ideal mother.

While the practice of law is one of the greatest continual educational processes in which one can engage, when added to it are extracurricular activities of community service through services in Chambers of Commerce, Boards of United Fund, service clubs and a host of other activities, plus church work, one acquires not only a philosophy but a method of dealing with people's problems.

One of my greatest satisfactions has been the service on the National Lutheran Council and participating in the ecumenical



movement, both within my own denomination and on an interdenominational level. Such diverse interests as livestock marketing, electric utilities service, representing owners in condemnation, community participation and layman's participation in church activities have contributed enormously to an understanding of people's problems. I have a deep sense of gratitude for what I have learned from these activities. ■

### THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished Republican leader as to whether or not the following calendar orders on the Calendar of Business have been cleared: Calendar Order 756 and Calendar Order 876.

Mr. DOLE. Each has been cleared, yes.

Mr. BYRD. I thank the Republican leader.

I ask unanimous consent that the Senate proceed to the consideration of those two calendar orders seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

### DEVELOPMENT OF BICENTENNIAL COINS

The Senate proceeded to consider the bill (S. 1776) to modernize U.S. circulating coin designs, of which one reverse will have a theme of the Bicentennial of the Constitution, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

#### SECTION 1. DENOMINATIONS, SPECIFICATIONS, AND DESIGN OF COINS.

Subsection (d)(1) of section 5112 of title 31, United States Code, is amended by striking the fourth sentence.

#### SEC. 2. DESIGN CHANGES REQUIRED FOR CERTAIN COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) The design on the reverse side of the half dollar, quarter dollar, dime coin, 5-cent coin and one-cent coin shall be selected for redesigning. One or more coins may be selected for redesign at the same time, but the first redesigned coin shall have a design commemorating the 200th anniversary of the United States Constitution for a period of two years after issuance. After that 2-year period, the bicentennial coin shall have its design changed in accordance with the provisions of this subsection. Such selection, and the minting and issuance of the first selected coin shall be made not later than 1 year after the date of the enactment of this paragraph. All such redesigned coins shall conform with the inscription requirements set forth in paragraph (1) of this subsection."

#### SEC. 3. DESIGN ON OVERSE SIDE OF COINS.

Subsection (d) of section 5112 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(4) Subject to paragraph (2), the design on the obverse side of the half dollar, quarter dollar, dime coin, 5-cent coin, and one-cent coin shall contain the likenesses of

those currently displayed and shall be considered for redesign. All such coin obverse redesigns shall conform with the inscription requirements set forth in paragraph (1) of this subsection."

#### SEC. 4. SELECTION OF DESIGNS.

The design changes for each coin authorized by the amendments made by this Act shall take place at the discretion of the Secretary and shall be done at the rate of one or more coins per year, to be phased in over six years after the date of the enactment of this Act. In selecting new designs, the Secretary shall consider, among other factors, thematic representations of the following constitutional concepts: freedom of speech and assembly; freedom of the press; right to due process of law; right to a trial by jury; right to equal protection under the law; right to vote; themes from the Bill of Rights; and separation of powers, including the independence of the judiciary. The designs shall be selected by the Secretary upon consultation with the United States Commission of Fine Arts.

#### SEC. 5. REDUCTION OF THE NATIONAL DEBT.

Subsection (a)(1) of section 5132 of title 31, United States Code, is amended by inserting after the third sentence the following: "Any profits received from the sale of uncirculated and proof sets of coins shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### STATEHOOD CENTENNIAL COMMEMORATIVE COIN ACT

The PRESIDING OFFICER. The clerk will report the next item.

The assistant legislative clerk read as follows:

A bill (S. 2283) to require the Secretary of the Treasury to mint and issue five-dollar coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Statehood Centennial Commemorative Coin Act of 1989".

#### SEC. 2. SPECIFICATIONS OF COINS.

(a) AUTHORIZATION.—Subject to subsection (b), the Secretary of the Treasury (hereinafter referred to as the "Secretary") shall mint and issue five-dollar coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming.

(b) ISSUANCE.—The Secretary shall mint and issue not more than 350,000 five-dollar coins each of which shall—

- (1) weigh 31.103 grams;
- (2) have a diameter of 1.500 inches; and
- (3) be composed of 90 percent palladium and 10 percent alloy.

(c) DESIGN.—The design of the five-dollar coin, in accordance with this section, shall contain an engraving of the Centennial States' regional logo on one side; and on the other side, busts of Thomas Jefferson, and Lewis and Clark overlooking the Missouri River. Each coin shall bear a designation of the value of the coin, the year 1989, and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum". The reverse may also contain the words "Northwest Centennial" and "Statehood 1889-1890". Modifications to these designs may be made, if necessary, by the Secretary upon consultation with a duly authorized representative of the 6 States' Centennial Commissions.

(d) NUMISMATIC ITEMS.—For purposes of section 5132(a)(1) of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

(e) LEGAL TENDER.—The coins referred to in subsection (a) shall be legal tender as provided in section 5103 of title 31, United States Code.

#### SEC. 3. SOURCES OF BULLION.

The Secretary shall obtain palladium for the coins referred to in this Act by purchase of palladium mined from natural deposits in the United States within one year after the month in which the ore from which it is derived was mined and by purchase of palladium refined in the United States. The Secretary shall pay not more than the average world price for the palladium. In the absence of available supplies of such palladium at the average world price, the Secretary shall purchase supplies of palladium pursuant to the authority of the Secretary under existing law. The Secretary shall issue such regulations as may be necessary to carry out this provision.

#### SEC. 4. MINTING AND ISSUANCE OF COINS.

(a) UNCIRCULATED AND PROOF QUALITIES.—The coins minted under this Act may be issued in uncirculated and proof qualities, except that not more than 1 facility of the United States Mint may be used to strike each quality.

(b) COMMENCEMENT OF ISSUANCE.—The Secretary may issue the coins minted under this Act beginning January 1, 1989.

(c) TERMINATION OF AUTHORITY.—Coins may not be minted under this Act after December 31, 1990.

#### SEC. 5. SALE OF COINS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall sell the coins minted under this Act at a price equal to the face value, plus the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make any bulk sales of the coins minted under this Act at a reasonable discount to reflect the lower costs of such sales.

(c) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins minted under this Act prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(d) SURCHARGES.—All sales of coins minted under this Act shall include a surcharge of \$20 per coin.

## SEC. 6. FINANCIAL ASSURANCES.

(a) **NO NET COST TO THE GOVERNMENT.**—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this Act will not result in any net cost to the United States Government.

(b) **PAYMENT FOR COINS.**—A coin shall not be issued under this Act unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

## SEC. 7. REDUCTION OF NATIONAL DEBT.

An amount equal to \$1,500,000 of all surcharges received by the Secretary from the sale of coins minted under this Act shall be provided to the "Documents West" exhibition program and administered by the Idaho Centennial Commission. These funds shall be used for the sole purpose of promoting the exhibition of historical and educational artifacts pertaining to the six Centennial States. The remaining amount of surcharges that are received by the Secretary from the sale of coins minted under this Act shall be deposited in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.

## SEC. 8. AUDITS.

The Comptroller General shall have the right to examine such books, records, documents, and other data of the Idaho Centennial Commission as may be related to the expenditure of amounts paid under section 7.

## SEC. 9. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) **IN GENERAL.**—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(b) **EQUAL EMPLOYMENT OPPORTUNITY.**—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity. No firm shall be considered a Federal contractor for purposes of 41 C.F.R. part 60 et seq. as a result of participating as a United States Mint coin consignee.

Mr. BAUCUS. Mr. President, I would like to thank the majority leader for agreeing to bring S. 2283 before the Senate for consideration, given the busy schedule. The majority leader has a keen sense of history and shares my feelings of regional pride.

This legislation, calling for a \$5 commemorative coin made of palladium, is unique because it marks the centennial of Montana, Idaho, North Dakota, South Dakota, Washington, and Wyoming.

The bill before us, the Statehood Centennial Commemorative Coin Act of 1989, is an amended version of the bill I introduced earlier this year along with my 11 colleagues representing the centennial States—Senators MELCHER, ADAMS, BURDICK, CONRAD,

DASCHLE, EVANS, MCCLURE, PRESSLER, SIMPSON, SYMMS, and WALLOP.

Besides commemorating the centennial of statehood for the Northwestern States, the coin would also recognize the opening of the world's only primary palladium mine, the Stillwater Mine, which began production last year in the Beartooth Mountains near Nye, MT.

## THE NORTHWEST CENTENNIAL

Providing this unique official congressional recognition of the 100th birthday of Montana, Idaho, North Dakota, South Dakota, Washington, and Wyoming is certainly appropriate given their heritage and importance.

These States represent the culmination of Thomas Jefferson's dream of one land—from sea to shining sea; statehood for territories stretching from the Minnesota border to the Straits of San Juan de Fuca, from the Canadian border to the Laramie Trail—statehood for the great agricultural heartland—to the northern tier of the Rockies—to the Pacific Ocean.

This legislation recognizes that these six States, though sparsely populated, represent a great portion of the resource base of our country—metals and minerals, oil, timber, water and power.

This is a land of immigrants from Europe and the Orient and a land where native Americans are a proud part of our heritage. The six State commemorative recognizes the brilliance of Jefferson's Louisiana Purchase; it recognizes our foresight to claim the Oregon Territory; and it recognizes the wisdom of Daniel Webster, who brilliantly negotiated a lasting boundary with our neighbor to the north in the Webster-Ashburton Treaty.

This is a land of rain forests and the Rockies, seafood and submarines, coal, and cattle, Yellowstone Park and Glacier Park, the Olympic Peninsula and Lake Coeur d'Alene—sturdy people, a part of America's past and a part of her future; unique as the coin we propose to strike from palladium, sister of platinum, rare to this continent.

The centennial States comprise a land of extreme beauty and extreme hardship, a land of hope and a land of tragedy, from the bitter winters of the Northern Plains to the strange, unearthly beauty of Yellowstone National Park; from the cradle of women's suffrage to Custer's blunder at the Little Big Horn.

It is a land of great rivers—the Missouri, Columbia and Snake, the Powder, Sweetwater, Salmon and Yellowstone; and the great mountains—the Wind River Range and Tetons, the Rockies, the Bitterroot Range and the Cascades.

It is also a land of great people—pioneering, enduring people with a sense of optimism and community, people who have helped define the American

character, people from Calamity Jane and Wild Bill Hickok to Jeanette Rankin and Mike Mansfield. Lest other Senators are moved to rise in defense of the greatness of their own States, let me cheerfully concede the point. Their States are great, too, in their own way. All have contributed to the miracle of the American spirit. All deserve recognition.

Indeed, many cities and States have already achieved the same kind of recognition we seek for our States today. There is a long and distinguished record of coins commemorating anniversaries of individual States and noting other significant occasions. This coin would honor six States at once.

Commemorative coins have been issued for the centennial of the States of Alabama, Arkansas, Illinois, Iowa, Maine, Missouri, Texas, the centennial of Wisconsin Territory, the 75th anniversary of California, and the 150th anniversary of Vermont.

Commemoratives have also been issued marking special events and anniversaries in California, Connecticut, Delaware, Georgia, Hawaii, Illinois, Maine, Maryland, Massachusetts, New York, Ohio, Oregon, Pennsylvania, Rhode Island, North Carolina, South Carolina, Tennessee, Virginia, and Washington.

Not a single commemorative, Mr. President, honors a city or State in the intermountain West. This is in part of an accident of history. In the past 20 years, only one State, a mountain State—Colorado in 1976—celebrated its centennial.

But in part it is yet another symbol of the realities of congressional policy toward the West over much of the first two centuries of our history.

The Northwest centennial coin thus would be an important reminder and recognition of the youth of our Nation, of its western heritage, of its continued vitality, and its continued interest in supporting U.S. resource independence.

## DESIGN OF THE COIN

The six States that entered the Union in 1889-90 are the largest block of States to gain admission since the original 13.

The Northwest centennial commemorative coin will be designed to depict the vastness and beauty of the land, Jefferson's foresight in making the Louisiana Purchase, and his vision in promoting its exploration by Lewis and Clark in 1803-05 to strengthen the U.S. claim to the Pacific.

Mr. President, the centennial coin will be as unique and individual as the land and its people it will be commemorating. The coin will also be unique in the history of American coinage, and is already creating a great deal of interest.



This act authorizes the striking of 350,000 \$5 palladium centennial coins. On one side would be depictions of Thomas Jefferson and of Lewis and Clark overlooking the Missouri River. On the other side would be the Northwest centennial logo, along with the words "Northwest Centennial" and "Statehood 1889-90."

## DOCUMENTS WEST

The Northwest Centennial Commemorative Coin Act will not cost the Treasury a single penny. In fact, the Congressional Budget Office reports that this legislation will raise \$7 million over 2 years. S. 2283 would earmark \$1.5 million of the receipts to finance a portion of Documents West Program.

The balance of the revenues, some \$5.5 million, will return to the General Treasury, Mr. President.

Documents West is a major museum exhibition and educational presentation that will bring together for the first time the significant documents and journals of exploration and other artifacts of Northwest history leading up to statehood for the six centennial States.

This traveling exhibit would give millions of people the opportunity to view first hand the Louisiana Purchase agreement, statehood enabling legislation, treaties with Britain and many Indian tribes, the Oregon Donation Law, original maps and other materials. Many of these documents have never been exhibited in the West.

A curriculum program is planned to bring this aspect of our history into classrooms throughout the region in conjunction with the traveling exhibits. Facsimiles of the major documents will be provided for classroom use, accompanied by lesson plans for teachers. Kits will be produced with participation of teachers, ensuring their usefulness to both teachers and students.

The exhibition is planned to open in Washington State in mid-1989, traveling to the five other States, plus Oregon and possibly British Columbia by the end of 1990.

## STILLWATER MINE

The Stillwater Mine is the only primary source of platinum group metals in the United States. Palladium is used chiefly in the electronics industry—half of total consumption—in dentistry—one-third of total consumption—and in pollution control catalysts.

The uniqueness of this mine, and U.S. interest in reducing its dependence on imports for these strategic materials, argue for giving palladium a modest boost through a commemorative coin. Congress has given the U.S. gold industry a similar boost through its gold coin program, and while the United States is still a net importer of gold, reliance on foreign sources had diminished dramatically.

My bill would require that metal for the coin come from primary or second-

ary sources in the United States, thus creating a substantial new market for U.S. mined and recycled palladium.

This approach encourages the recycling not only of palladium, but of platinum as well, since the two often are used together, as in automobile catalytic converters.

The domestic recycling industry currently recaptures nearly 700,000 ounces of palladium each year in the United States. For 1986, the U.S. Bureau of Mines reports that approximately 400,000 ounces returned to the owner of the metal, while 275,000 ounces were returned to the open market.

Thus, palladium supply in the United States from Stillwater—an estimated 120,000 ounces a year—and from recycling—more than 275,000 ounces returned to the open market—totals more than 400,000 ounces per year. The proposed mintage of the palladium coin is 350,000, with 90 percent palladium content—315,000 ounces. The authorization for the coin is for 2 years.

The Stillwater mineowners recently announced a major production increase and aggressive exploration is underway.

I know all of us share an interest in maximizing U.S. recycling and mining of platinum group metals. The Northwest centennial bill would do that.

In this context, I might note that currently half the catalytic converters recycled from cars in the United States are purchased by and shipped to Japan.

Anything we can do to enhance recycling within the United States certainly is worthwhile given the current primary source of supply.

Mr. President, I want to offer my thanks to Senator PROXMIRE and the Banking Committee staff, especially Sharon Bauman, for their help in redrafting and improving the original bill, especially as to conforming the bill with the current laws and practices of the U.S. coinage program.

In conclusion, Mr. President, I would like to remind my colleagues that this legislation has previously passed this body as an amendment to H.R. 3251, the bicentennial of the Congress commemorative coin bill, as were a number of other amendments, including the extension of FSLIC, all of which were stripped, with the exception of the FSLIC amendment, by the House.

Mr. President, I urge my colleagues to support this bill and hope that the House would take action as soon as possible so we can pass this legislation before the end of this Congress to ensure availability of the coin and the Documents West Program in time for the celebration of our centennials.

Mr. President, I ask unanimous consent that a brief description of the history of American commemorative

coins, a description of the Documents West Program, certain materials from the Northwest Centennial Commission, a short history of each centennial State and the calendar of centennial celebration activities for Montana and the other century States be printed in the RECORD.

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

## COMMEMORATIVE COINS

(R.S. Yeoman, "A Guidebook of United States Coins," 41st ed., 1988, Racine, WI, 1987, p. 209)

Commemorative coins have been popular since the days of the Greeks and Romans. In the beginning they served to record and honor important events and in the absence of newspapers they proved highly useful in passing along news of the day.

Many modern nations have issued commemorative coins and such pieces are highly esteemed by collectors. Yet no nation has surpassed our own country when it comes to commemorative coins and in this we have reason to be proud.

The unique position occupied by commemoratives in United States coinage is largely due to the fact that with few exceptions they are the only coins that have a real historical significance. The progress and advance of people in the New World are presented in an interesting and instructive manner on the commemorative issues. Such a record of facts artistically presented on our gold and silver memorial issues appeals strongly to the collector who favors the historical side of numismatics. It is the historical features of the commemoratives, in fact, which create interest among many people who would otherwise have little interest in coins.

Commemorative issues are considered for coinage by two committees of Congress—The Committee on Banking, Housing and Urban Affairs, and the Committee on Banking and Currency of the House. Congress is guided to a great extent by the reports of these committees when passing upon bills authorizing commemorative coins.

These special coins are usually issued either to commemorate events or to help pay for monuments or celebrations that commemorate historical persons, places or things. The commemorative coins are offered in most instances by a commission in charge of the event to be commemorated, and sold at a price in advance of the face value of the piece. All are of the standard weight and fineness of traditional gold and silver coins, and all are legal tender.

Commemorative coins are popularly collected either by major types or in sets with mint mark varieties. In many years no special commemorative coins were issued. Some regular coins such as the Lincoln cent of 1909, Washington quarter of 1932, and Bicentennial issues of 1976 are also considered to be commemoratives.

## DOCUMENTS WEST—AN EXHIBITION OF DOCUMENTS AND SUPPORTING MATERIALS TRACING THE ROAD TO STATEHOOD FOR THE GREAT NORTHWEST STATES

## A CENTENNIAL CELEBRATION

The Washington State Centennial Commission, in concert with the Centennial Commissions of North Dakota, South Dakota, Wyoming, Idaho, and Montana, proposes a major exhibition of the docu-

ments instrumental in creating these "89" and "90" Centennial states. Starting with the Louisiana Purchase Agreement, and including treaties between the United States and Great Britain, the Oregon Donation Law, many Indian treaties, and the enabling acts affecting each of the states, such an exhibit would, for the first time, give millions of people the opportunity to view first-hand the documents that created the states in which they live. Using integrated display techniques the exhibit will combine videos and skillfully used artifacts to create a lively context in which to display the documents. This exciting exhibition, which would also travel to Oregon, would provide a focal point for the upcoming Centennial celebrations.

Combined with curricular packets and other materials, and augmented by holdings in various state archives, such an exhibition would reach in dramatic fashion large portions of the population, especially school children. For those that were reached, history would come alive and the meaning of statehood would be clarified—an appropriate goal for these Centennial celebrations.

#### BACKGROUND

During 1989 and 1990 the six Great Northwest States (North and South Dakota, Wyoming, Montana, Idaho, and Washington) celebrate the 100th anniversary of their statehood. Each of these states will take the opportunity afforded by the centennial to reflect on the process by which they became part of the United States. They will also consider the ramifications of statehood.

As a joint activity, these six states (along with Oregon) propose a major exhibition revolving around documents which were central in the process of attaining statehood. These documents fall into two categories: the landmark national documents, including the Louisiana Purchase agreement; and documents pertaining to the individual states. Many of these documents have never been exhibited in the West. They would be the centerpiece of a major exhibition that would also include artifacts, paintings, ephemera and other material.

The exhibition would travel through the seven states, beginning in Washington. The state archivists and Centennial commissions from those states support this joint effort; their letters are appended to this proposal. Care will be taken to ensure the widest possible visitorship for the exhibition, coupled with the security required to protect an extremely valuable exhibition.

#### DOCUMENTS WEST—THE EXHIBITION

What is the significance of being American rather than Canadian, Russian or Spanish citizens? What influence did the presence of the Hudson Bay Company have on the early settlement of the Northwest? How did the Northwestern states become part of the United States? What were the issues that affected the debate over statehood? What effect did the westward expansion have on the native Americans living in this region?

For many people these questions are abstract. The celebrations of the six Centennial states aim to focus attention on the history of each state, and to make historical issues tangible to the citizenry.

What better way to demonstrate concretely and dramatically the process by which statehood was achieved and to focus attention on the implications of statehood than by exhibiting the landmark documents of the region? Virtually every child in America

studies American history, and remembers references to the Hudson Bay Company, the Louisiana Purchase, the Lewis and Clark Expedition, and "54-40 or fight!" An exhibition containing major documents pertaining to these events would pique the interest of hundreds of thousands of people, especially during the Centennial celebrations that will focus on our historical roots.

The exhibition would occupy 4-6,000 square feet, and would be arranged chronologically, to tell a story of statehood unfolding. A high-quality video presentation would serve to orient visitors at the start of the exhibition. In each state, the exhibition would be different, since it would contain both the core documents and those documents and supporting materials unique to that state.

#### CORE DOCUMENTS

Many of the key documents in the history of the six Centennial states have never been exhibited west of the Mississippi River. Such documents as the Louisiana Purchase Agreement; the 1818 agreement with Spain that relinquished that nation's claims to Washington State; the authorization by Thomas Jefferson of the Lewis and Clark Expedition; and the American-British Treaty of 1842 are a few of the many official documents that would be of particular interest.

But besides official documents, many other fascinating materials could be incorporated into the exhibition. These include the remains of Lewis and Clark's diary, Hudson Bay Company papers, the many original reports extolling the West that fueled settlement; papers from explorers, missionaries, and trappers; and even settlers' diaries.

All of these rare and valuable documents would be displayed in climate-controlled, secure cases and augmented by interpretive materials. A visitor would first watch a brief video providing the historical context for the exhibition. The Louisiana Purchase Agreement would be the next major display, surrounded by other documents, artifacts, maps, and manuscripts that offer a specific context.

#### VISUAL ENHANCEMENT

As a visitor goes through the 4-6,000 square feet of the exhibition, he or she will follow the road to statehood of the six states. Documents will provide a framework, but this skeleton will be fleshed out with materials that in a more visual, immediate way illustrate the impact of the documents. The Lewis and Clark Expedition can be illustrated with maps, drawings, and other records left by the explorers. Indian treaties offer similar opportunities for additional elucidation, with everything from "speaking staffs" to weaponry utilized by both sides in the wars.

Important also will be documents and materials related to spreading information about the Centennial states in the East. Letters, newspaper dispatches, painting, and other means of communication all served to excite people in the East about the new territories. They heard of a land of unlimited opportunity, astonishing beauty and wealth, and great adventure. Such tales brought new settlers west and also increased the desire of politicians to assure that these territories became part of the United States.

Many types of materials exist to graphically display the nature of life in these states. Remnants of the Hudson Bay Company, tools used by settlers, articles of domestic culture, and other materials all bring immediacy to the documents that trace the development of statehood.

Photographs also provide evidence of life in the period after 1850 and enable visitors to gain a feel for the past.

The exhibition will be designed to travel easily, with modules used to display units of materials. Design specification will be developed that will permit each state to fold in documents and artifacts unique to that area. The overall effect will be an exhibition in which visitors can spend an hour or two or perhaps longer to delve into their history.

#### EDUCATIONAL PROGRAMMING

Connected with Documents West, a curricular program will be developed to bring graphic history into the classroom. Facsimiles of the major documents will be provided for classroom use, accompanied by lesson plans for teachers. These kits will be produced with the participation of teachers, ensuring their usefulness to both teachers and students.

The importance of such materials, especially during the Centennial year, cannot be overestimated. Students will have the encouragement of a statewide effort bringing history to the forefront. With the presence of an exhibit featuring priceless documents, attention will be placed on the reasons for statehood and on the study of history generally.

The facsimile kits will provide a means for involving hundreds of thousands of students with primary materials. Such materials will give students the chance to come face to face with the actual documents and encourage close reading of the words contained. As they trace the move toward statehood from document to document, students will discover history as an active pursuit, and see its relevance to their own lives. This will perhaps be the single most important legacy of the Centennial celebrations.

#### HISTORY OF THE SIX STATES

Most of the territory comprising North Dakota, South Dakota, Montana, Washington, Idaho, and Wyoming was purchased in 1803 by President Thomas Jefferson in what has become known as the Louisiana Purchase. In 1804, President Jefferson sent Meriwether Lewis and William Clark to explore the vast Louisiana Territory and to blaze a trail to the Pacific Ocean. It was during their exploration of this territory that the area's potential was first realized.

In August 1804 Lewis and Clark camped in the South Dakota region for the first time, near what is now Elk Point. They followed the Missouri River through the region. They reached central North Dakota in October 1804 and built Fort Mandan on the east bank of the Missouri River, where they stayed until April 1805. That year, they became the first white men to explore the Idaho region. Lewis and Clark led their expedition across Montana, crossed the Rocky Mountains and reached the Columbia River in Washington, following it to the Pacific Ocean. In 1806 Lewis and Clark returned eastward through this same territory.

These States have greatly contributed to the history of the United States. The names of Wild Bill Hickok, Calamity Jane, Chief Crazy Horse, Kit Carson, and Jim Bridger are all associated with the history of these States. Lieutenant Colonel George Armstrong Custer made his last stand in 1876 during the battle at the Little Bighorn River against the Sioux Indian Chief, Sitting Bull, in Montana. Montana also has the distinction of having elected the first woman to Congress, sending Jeannette



Rankin to the U.S. House of Representatives in 1916.

Washington State is the only state named after a U.S. president. Washington grows more apples than any other state and leads the country in production of hops. Mount Rushmore National Memorial—paying tribute to Presidents Washington, Jefferson, (Theodore) Roosevelt and Abraham Lincoln—is located in South Dakota. Wyoming is the site of the country's first national park—Yellowstone—and the first national forest—Shoshone. Wyoming also has the distinction of being the first state to grant women the right to vote, hold public office, and serve on juries (December 10, 1869). In 1870, Esther H. Morris became the nation's first woman justice of the peace. In 1924, Wyoming voters elected the first woman governor, Nellie Tayloe Ross.

The importance of natural resources located in these States cannot be overlooked. Homestake Mine, the largest gold mine in the United States, is located in South Dakota. Sunshine Mine, the largest U.S. silver mine, located in Idaho. Stillwater Mine, the only primary U.S.-producing mine of palladium, is located in Montana. The 6 States' other resources include oil, coal, natural gas, salt, copper, uranium, timber, and agricultural products such as wheat.

The admission of these six States to the Union is the largest block of states to be admitted since the original 13. It also was the culmination of Thomas Jefferson's dream of bringing the territories together as one land, from coast to coast. A brief history of each territory to statehood is presented below.

#### NORTH DAKOTA

Few settlers came to the North Dakota region before the 1870s. In 1682, Robert Cavalier, Sieur de la Salle, claimed for France all the land drained by the Mississippi River system. This territory included the southwestern half of present-day North Dakota, because the Missouri River flows into the Mississippi. France also claimed the vast area south of Hudson Bay, Canada, which included the northeastern half of North Dakota. In 1713, France gave its land west of the Mississippi to Spain. Spain returned it to France in 1800. In 1803, the United States bought this region as part of the Louisiana Purchase. In 1818 the United States obtained northeastern North Dakota by a treaty with Great Britain. All of present-day North Dakota then became a U.S. territory.

Congress created the Dakota Territory in 1861. During the 1870s, the Northern Pacific Railroad began to push across the Dakota Territory. It was also during this time that people began to ask Congress to divide the Dakota Territory into two parts. In February 1889 Congress established the present boundary between North Dakota and South Dakota. On November 2, 1889 North Dakota became the 39th state. John Miller became North Dakota's first governor.

#### SOUTH DAKOTA

As noted above, South Dakota was originally part of the Dakota Territory. The French-Canadian explorers Francois and Louis-Joseph La Verendrye were the first white persons known to have visited the South Dakota area. In 1743, the two brothers buried a small lead plate near the site of present-day Fort Pierre to prove they had been there. It was discovered in 1913 and now resides in the South Dakota State Historical Museum. Pierre Dorion, a French fur trader arrived in the lower James River

Valley around 1785 and became the first white person to settle permanently in the South Dakota area.

The discovery of gold in the Black Hills in 1874 created a huge land boom. In addition, public land offerings by the government added to the population, increasing it from 12,000 in 1870s to 348,600 by 1890. South Dakota became the 40th state of the Union on November 2, 1889. Arthur C. Mellette became South Dakota's first governor.

#### IDAHO

Indians lived in the Idaho region more than 10,000 years ago. In 1805, Lewis and Clark crossed the great Bitterroot Range. Then, aided by the Shoshone and Nez Perce Indians, the explorers built canoes and floated down the Clearwater and Snake Rivers to the Columbia River. In 1809 David Thompson, a British explorer, built a fur-trading post on the shores of Pend Oreille Lake. In 1834, two more posts were built. They were Fort Hall, founded by the American Nathaniel Wyeth, and Fort Boise, founded by Thomas McKay of the British Hudson's Bay Company.

The Idaho Territory was established by Congress on March 4, 1863, with Lewiston as the capital. The territory included present-day Idaho, Montana, and almost all of Wyoming. Montana became a separate territory in 1864, and Wyoming was made a territory in 1890. In 1864, Boise became the capital of the constitution and Idaho entered the Union as the 43rd state on July 3, 1890. George L. Shoup became Idaho's first governor.

#### MONTANA

French trappers may have visited the Montana area as early as the 1740s. The United States obtained most of what is now Montana as part of the Louisiana Purchase in 1803. The northwestern part was gained by treaty with Great Britain in 1846. At various times, part of Montana were in the territories of Louisiana, Missouri, Nebraska, Dakota, Oregon, Washington, and Idaho.

In 1841, Jesuit missionaries established St. Mary's Mission, the first attempt at a permanent settlement, near what is now Stevensville. In 1847, the American Fur Company built Fort Benton on the Missouri River. The town that developed there is Montana's oldest continuously populated town.

The People of Montana first asked for statehood in 1884, but it was not until November 8, 1889 that Montana was admitted as the 41st state. Joseph K. Toole became Montana's first governor.

#### WASHINGTON

At least 12 different tribes of Indians lived in the Washington region before white people came. The first white people to see the Pacific Northwest were probably Spanish and English explorers who sailed northward along the coast from California during the 1500s. The Europeans did not land in what is now Washington until the late 1700s. Russian fur traders settled in Alaska during that time. To prevent their expansion further south, Spain sent several expeditions to establish Spanish right to the area. In 1775, Bruno Heceta and Juan Francisco de la Bodega y Quadra made the first landing in Washington, near present-day Point Grenville.

The first English explorer to reach the area was Captain James Cook, in 1778. Between 1792 and 1794 George Vancouver, another English explorer, made a survey of Puget Sound and Georgia Gulf. England based its claim to the region on the explorations of Cook and Vancouver. An American,

Captain Robert Gray, reached the mouth of the Columbia River in 1792 and this became a basis for American claims to the region. Lewis and Clark's expedition in 1805 gave the United States a second claim to this territory. During the 1800s both British and American fur traders operated in the region. The Washington and Oregon territories were disputed by Britain and the United States. It was not until 1818 that the two countries signed a treaty permitting their citizens to trade and settle in that region, then called the Oregon Country. The boundary dispute between the United States and Great Britain reached a climax during the presidential campaign of 1844. James K. Polk partially based his campaign on the claim that all the region south of latitude 54 degrees 40 minutes belonged to the United States ("Fifty-four Forty or Fight" was the campaign slogan). In 1846, President Polk signed a treaty with Great Britain setting the boundary line at the 49th parallel, Washington's present northern border. In 1853, President Millard Fillmore signed a bill creating the Washington Territory. On November 11, 1889 Washington became the 42nd state. Elisha P. Ferry became Washington's first governor.

#### WYOMING

Indians lived in the Wyoming area at least 11,000 years ago. French trappers may have entered the region in the mid-1700s, but it was not until after 1800 that exploration of the area began. The United States bought most of the region from France in 1803, as part of the Louisiana Purchase. In 1807, a trapper named John Colter became the first white man to travel across the Yellowstone area. In 1812, a group of fur traders led by Robert Stuart, discovered a relatively easy way across the mountains from west to east through South Pass. By the mid 1840s, pioneers were traveling west through the Wyoming area on three famous trails: the California Trail, the Mormon Trail to Utah, and the Oregon Trail to the Pacific Northwest. All three took the South Pass through the mountains.

Both the discovery of gold and the incursion of the Union Pacific Railroad in 1867 helped boost the development of Wyoming. In 1868 Congress created the Territory of Wyoming. In 1872, during Wyoming's territorial days Yellowstone Park was created—the country's first national park. Wyoming became the 44th state on July 10, 1890. Francis W. Warren became Wyoming's first Governor.

#### MONTANA CENTENNIAL CALENDAR—1988-89 EVENTS, PROJECTS, PUBLICATIONS AND ENTERTAINMENT

This calendar is current as of July 12, 1989.

(Note: This calendar lists events, publications, and performing artists sanctioned or authorized by the Montana Statehood Centennial Commission and Office. Although we try to keep as current as possible, the Centennial Office cannot be responsible for changes on this calendar. Please contact the sponsor for the most up-to-date information.)

#### 1988

Montana Nature Preserves—1988-89. Nature preserve and land conservation fundraising project.

The Nature Conservancy, Big Sky Office, PO Box 258, Helena, MT 59624.

Montana Community Foundation—Resources for community development.

Montana Community Foundation, PO Box 1172, Helena, MT 59624.

Where Statehood Began: Montana's Centennial Sites—Inventory of properties built between 1864 and 1889. Nomination deadline: October 1, 1988.

State Historic Preservation Office, 225 N. Roberts, Helena, MT 59620.

August 6, 1988: 100th Birthday Celebration of the Original Governor's Mansion—Helena. Music, tours, refreshments.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

August 19-20, 1988: Montana Cowboy Poetry Gathering—Big Timber. Original western poetry and songs. (Also in August 1989).

Montana Cowboy Poetry Gathering, PO Box 1255, Big Timber, MT 59011.

September 16-18, 1988: Grand Opening of "Montana Homeland," a new Montana history exhibition—Montana Historical Society Helena.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

October 8, 1988 through 1989: Billings Symphony features compositions by Montana composers during its 1988 and 1989 symphony seasons.

Billings Symphony Orchestra, PO Box 602, Billings, MT 59103.

November 1988:

Veterans Art—Exhibition of art work by Montana veterans.

Veterans Administration Medical Center and Miles City Area Chamber of Commerce, 210 S. Winchester Ave., Miles City, MT 59301.

Old Time Style Show—Miles City. Miles City Roundup '89, 901 Main, Miles City, MT 59301.

November 3-5, 1988: Montana History Conference—Livingston.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

November 8, 1988: Admissions Day.

Governor Schwinden proclaims the beginning of the Centennial Year.

November 11, 1988: Veterans Day Centennial Ball—Miles City.

Veterans Administration Medical Center and Miles City Area Chamber of Commerce, 210 S. Winchester Ave., Miles City, MT 59301.

November 12-13, 1988: Centennial Year Opening Ceremonies—St. Mary's Mission, Stevensville. Program at mission, historic tours, banquet.

St. Mary's Mission Board of Directors, PO Box 211, Stevensville, MT 59870.

November 26, 1988: Martha Graham Dance Theater—Alberta Bair Theater, Billings. Proceeds to establish Town Hall Lecture Series to endow theater.

Alberta Bair Theater, PO Box 1556, Billings, MT 59103.

December 1988:

Capitol Christmas Tree—Decorations by Legislative Spouses.

Pledge Drive, KUSM-TV, public television in Bozeman. Centennial mug and Christmas ornament as gifts.

KUSM-TV, Montana State University, Bozeman, MT 59717.

1989

Photography Exhibition—An exhibition of photographs of old Montana mining towns. Statewide tour in 1989.

Denes G. Istvanffy, PO Box 20343, Billings, MT 59104.

Montana Nature Preserves—Ongoing 1988-89, Nature preserve and land conservation fundraising project.

The Nature Conservancy, Big Sky Office, PO Box 258, Helena, MT 59620.

Montana Bluebird Trail—Bluebird nesting boxes across Montana. Ongoing 1989.

Art Aylesworth, PO Box 794, Ronan, MT 59664.

Montana Community Foundation—Resources for community development.

Montana Community Foundation, PO Box 1172, Helena, MT 59624.

Paul Bunyan Restoration—Restoration of the only remaining Flathead Lake logging tow boat, the Paul Bunyan.

Miracle of America's Story Museum, Route 1, Highway 93S, Polson, MT 59860.

Daly Mansion Historic Site—Listing of Riverside, the Marcus Daly Mansion in the Bitterroot Valley, as an historic site.

Daly Mansion Preservation Trust, Inc., PO Box 1744, Hamilton, MT 59840.

Helena Community Cultural Center—Renovation of the old Lewis and Clark County jail into a center for film, dance, theater, music, and cabaret performances.

Helena Film Society, 9 Placer Street, Helena, MT 59601.

McCone County Museum Project—Circle Monument to Livestock Growers of Eastern Montana, calendar of historic events, publication of newspaper, "First Year of Circle at New Location," and other activities.

McCone County Centennial '89ers, Circle, MT 59215-0334.

Lewistown Historic Preservation Office—Slide-tape presentation documenting tools and techniques of stonemasonry practiced in Lewistown area.

Lewistown Historic Preservation Office, Box 626, Lewistown, MT 59457.

Montana Minutes—Series of 60 second radio vignettes of Montana history.

Lynne Turner Fitzgerald, 96B Antelope Trail, Billings, MT 59105.

Opera House Restoration, Chinook, Chinook Centennial '89ers, Box 428, Chinook, MT 59523.

Peace Park and Garden Trail—Design and dedication of hiking trail from Peace Garden, North Dakota, through Glacier National Park to Two Parks, Washington.

Joe Belgium, 1217 3rd Ave. South, Great Falls, MT 59405.

Northwest Centennial Composition Contest—To encourage the writing and performance of a musical work by a Northwest composer. Billings, Butte, Helena, Great Falls, Missoula, Bozeman, and Kalispell symphonies will present the work.

Montana Association of Symphony Orchestras, 2739 S. Gregory Drive, Billings, MT 59104.

Montana Centennial Businesses—Statewide Inventory and honoring of Montana businesses in operation more than 100 years.

Department of Commerce, 1424 9th Ave., Helena, MT 59620.

Where Statehood Began: Montana's Centennial Sites—Inventory of properties built between 1864 and 1889. Ceremonies honoring owners for their stewardship.

State Historic Preservation Office, 225 N. Roberts, Helena, MT 59620.

JANUARY

January and February 1989: Sled Dog Race—Helena.

Montana Mountain Mushers, 517 Waukesha, Helena, MT 59601.

January-October 1989: Montana Centennial Energy Calendar and Contest—1989 calendar with selected work of 13 young artists.

Montana Energy Education Council, 5555 Black Bear Road, Bozeman, MT 59715.

January 28-29, 1989: U.S. Outdoor Speed Skating Championships—Butte.

U.S. High Altitude Speed Skating Foundation, Inc., 1 Olympic Way, Butte, MT 59702-3208.

FEBRUARY

Centennial Musical Folk Opera—State tour in schools and communities.

Opera Workshop of Western Montana, PO Box 5692, Missoula, MT 59806.

February 10-11, 1989: The Fractured Folies Celebration of Montana's Centennial, Glendive.

Glendive Community Hospital Auxiliary, 412 E. Hughes, Glendive, MT 59330.

February 12-19, 1989: Ski for Light International Week, Bozeman—Event to draw visually impaired and paraplegic adults.

Sons of Norway, 1719 Willow Way, Bozeman, MT 59715.

SPRING

Ghost Town Ballet Tour—Statewide tour by the Montana Ballet Company. Modern ballet of actual histories of ghost towns, choreographed to folk music written over a century ago.

Montana Ballet Company, PO Box 6021, Bozeman, MT 59717.

5th Annual Calligraphy Workshop and Exhibit—Lewis and Clark Library, Helena, for one month.

Centennial Youth Ambassador Exchange Program—Exchange of high school students, eastern and western Montana.

Meadow Gold Dairies, Inc., PO Box 929, Billings, MT 59102.

The Shape of Montana—Juried exhibition of contemporary art, Haynes Fine Arts Gallery, Bozeman. Art will incorporate the physical shape of Montana.

Haynes Fine Arts Gallery, Haynes Hall, Montana State University, Bozeman, MT 59717.

Smith Mine Memorial Grove—Red Lodge. Planting and dedication of a grove of trees honoring miners killed in the Smith Mine disaster in 1943.

Memorial Grove Committee, PO Box 507, Red Lodge, MT 59068.

MARCH

Women's History Lecture Series—Helena. Month-long lecture series at the Montana Historical Society.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

A Celebration of Skiing at Red Lodge Grizzly Peak.

March 4—Winter Carnival (Includes National Ski Joring Finals).

March 12-18—Western States J1 Championships (Junior Olympics).

March 23-24—Montana Regional Special Olympics Winter Games.

March 30-April 1—Masters and Citizens Races.

Red Lodge Grizzly Peak, Inc., PO Box 750, Red Lodge, MT 59068.

March 16-18, 1989: 21st Annual C.M. Russell Art Auction—Great Falls Auction of original Western art. Benefit for the C.M. Russell Museum.

Great Falls Advertising Federation, PO Box 619, Great Falls, MT 59401.

APRIL

Chili Cook-Off—Miles City.

Miles City Roundup '89, Miles City Chamber of Commerce, 901 Main, Miles City, MT 59301.

April 1, 1989: Museum of the Rockies Dedication—Bozeman, Dedication of the new addition at the Museum of the Rockies



and the Tinsley Homestead, constructed in 1889.

Museum of the Rockies, Montana State University, 400 West Kagy, Bozeman, MT 59717.

April 6-June 25, 1989: Centennial Quilt Exhibition—Quilts related to Montana history, selected in a competition sponsored by the Montana Historical Society and the Helena Quilters Guild, Montana Historical Society, Helena, and traveling statewide in 1989 and 1990.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

April 28, 1989: All-Valley Centennial School Day—Bitterroot Valley students celebrate the Centennial.

Bitterroot Centennial Organization, 102 Geneva, Hamilton, MT 59840.

#### MAY

The William A. Clark Collection—Billings and Helena. An exhibit of art on loan from the Corcoran Gallery of Art, Washington, D.C., at the Yellowstone Art Center, Billings. At the Montana Historical Society, Helena, in October. Sponsored by Yellowstone Art Center and MHS.

Yellowstone Art Center, 401 N. 27, Billings, MT 59101.

A Salute to Women—Banquet honoring women who have excelled in their fields and have contributed to community life in Helena.

Helena YWCA, 501 N. Park, Helena, MT 59601.

May 1-29, 1989: Montana Wildlife Art Show—One of three shows at the MonDak Heritage Center, Sidney. Painting, drawings, three dimensional art. (Other showings are Montana Places, June; Montana People, July).

MonDak Heritage Center, 120 3rd Ave. SE, Sidney, MT 59270.

May 6, 1989: The Spokane Memorial—Helena. A race for Montana-born and trained thoroughbreds to commemorate the 1889 Kentucky Derby victory by Spokane, a Montana horse.

Mr. and Mrs. Joe Olheiser, 1616 Cannon #23, Helena, MT 59601.

May 14, 1989: Cowboy Poetry and Range Ballads—Custer County Art Center, Miles City. A one-day program complementing the Art Center's Western Art Roundup and the annual Bucking Horse Sale in Miles City.

Custer County Art Center, PO Box 1284, Water Plant Road, Miles City, MT 59301.

May 19-21, 1989: Miles City Bucking Horse Sale—Annual bucking horse sale. Parades, horse races, dance, barbecue, and other activities.

Bucking Horse Board of Governors, PO Box 1058, Miles City, MT 59301.

May 19-21, 1989: Garden City Ballet Performance—Missoula. A ballet with a contemporary western theme, choreographed by Michael Smuin.

Garden City Ballet Company, 229 E. Front St., Missoula, MT 59802.

May 26-29, 1989: State Square and Round Dance Festival, Great Falls.

Roy Bruce, 336 Riverside 4 West, Great Falls, MT 59404.

#### SUMMER

Summer at the Society—Noonhour, weekly programs for families on the lawn of the Montana Historical Society, Helena. Programs will focus on the Centennial and Montana history and culture.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

Bitterroot Valley History Pageant—Ravalli County. An outdoor pageant dramatizing the history of the Bitterroot Valley.

Bitterroot Valley Historical Society, Ravalli County Museum, 205 Bedford, Hamilton, MT 59840.

Rocky Mountain Outfitters Rendezvous—Near Townsend.

Montana Outfitters and Guides Association, Box 1339, Townsend, MT 59644.

Tri-State Transpanhandle Triathlon—Bike, run, canoe/row/kayak race from Montana across Idaho Panhandle to Washington.

Recreation Dept., City of Sandpoint, 110 Main, City Hall, Sandpoint, ID 83864.

The Voyage of The Centennial Messenger—A 300-mile horseback and 2,500-mile canoe journey from Henry's Fork, Wyoming, following the Wind, Big Horn, Yellowstone, and Missouri rivers to St. Louis. Retraces the historical route of General Ashley from the first rendezvous site in the Rocky Mountains to Missouri. Celebrates the Northwest Centennial.

Riverton Area Chamber of Commerce, First and Main Streets, Riverton, WY 82501.

Capitol Floral Display—North lawn State Capitol, Helena, Dept. of Fish, Wildlife and Parks.

West Yellowstone Flyfishing Expo—In the West's greatest flyfishing country; seminars, contests, demonstrations, youth events. Participation by the Federation of Flyfishers Conclave.

West Yellowstone Chamber of Commerce, PO Box 458, West Yellowstone, MT 59758.

Boy Scout Camporee—All-state Council.

Montana Council Boy Scouts of America, Inc., Box 3226, Great Falls, MT 59403.

The Pride of Montana Sheep and Wool Festival—Bozeman. Celebrating the sheep and wool industry.

Bozeman Area Chamber of Commerce, PO Box B, Bozeman, MT 59715.

#### JUNE

Lewis and Clark Run Across Montana—Relay run from Wibaux to Lolo Pass, evening festivities in three places along the route.

Montana Centennial Run Across Montana, 1904 4th St. NW, Great Falls, MT 59404.

Red Lodge Music Festival—Month-long schedule of music recitals.

Red Lodge Music Festival, Inc., 2649 S. Bridger Dr., Billings, MT 59702.

Little Bighorn Days—Hardin. An annual event, this year with a Centennial flavor.

Hardin Area '89ers, 204 N. Center Ave., Hardin, MT 59034.

June 2-3, 1989: Governor's Centennial Cup—Helena. Two-part running event in the annual Governor's Cup races, including a 100-mile race.

Blue Cross and Blue Shield of Montana, PO Box 4309, Helena, MT 59604.

June 2-August 5, 1989: The Black Robe Mission Project—An 80-day horseback journey tracing various routes of early Jesuit missionaries in Montana, using authentic ways and means.

Oregon Province of the Society of Jesus, N. 1107 Astor, Spokane, WA 99203.

June 12-July 4, 1989: Bannack to Helena '89: The Centennial Wagon Train—Wagon trains to converge at the Capitol.

Montana Draft Horse and Mule Association, Route 1, Box 1592, Whitehall, MT 59751.

June 15-July 15, 1989: Montana Places Art Show—The second of three shows at the MonDak Heritage Center, Sidney. Painting, drawings, three dimensional art. (Third in series is Montana People, July).

MonDak Heritage Center, 120 3rd Ave. SE, Sidney, MT 59270.

June 22-24, 1989: The Centennial Symposium—Billings. A humanities symposium of the six Northwest Centennial states to discuss regional history, heritage, and culture.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

June 22-25, 1989: Montana Traditional Jazz Festival—Dixieland in the heart of the Queen City.

Montana Traditional Jazz Festival, PO Box 856, Helena, MT 59624.

June 23-25, 1989: Centennial Celebration Days—Fort Benton. Celebration and dedication of the Montana Agriculture Center and Museum of the Northern Great Plains.

Fort Benton Community Improvement Association, PO Box 339, Fort Benton, MT 59442.

June 24, 1989: Montana Statehood Centennial Airshow of Bozeman—Military and civilian aircraft, exhibits, other events.

Bozeman Area Chamber of Commerce, PO Box B, Bozeman, MT 59715.

June 24, 1989: Pony Express Mail Carry-Terry.

Terry Centennial Committee, Box 6, Terry, MT 59349.

June 24-25, 1989: Beartooth Days—Red Lodge. Includes 21st annual Beartooth Run and other facilities.

Red Lodge Area Chamber of Commerce, PO Box 988, Red Lodge, MT 59068.

June 30-July 4, 1989: Montana Centennial Nez Perce Trail Ride—Chinook.

Chinook Centennial '89ers, PO Box 26, Chinook, MT 59523.

June 30-July 5, 1989: Daly Days: A Festival of the Arts—Hamilton. A celebration of the Bitterfoot Valley community and one of its early residents, Marcus Daly.

Daly Days: Festival of the Arts, PO Box 744, Hamilton, MT 59840.

June 30-July 2, 1989: Montana Chamber Centennial Golf Classic—Bigfork.

Montana Chamber Foundation, Box 1162, Helena, MT 59624.

#### JULY

Big Sky State Games—Statewide, multi-event sports festival for amateur athletes of all ages.

Big Sky State Games, PO Box 2318, Billings, MT 59103.

Hot Air Balloon Exhibition—Miles City.

Miles City Roundup '89, Miles City Chamber of Commerce, 901 Main, Miles City, MT 59301.

July 1, 1989: Recalling Memories—Utica. Parade, original play, supper and community celebration.

Utica Women's Club, PO Box 29, Utica, MT 59452.

July 1, 1989: Hometown Rodeo—Red Lodge.

Red Lodge "Home of Champions" Rodeo, PO Box 710, Red Lodge, MT 59068.

July 1-4, 1989: Joliet All Class Reunion—Joliet High School.

Joliet Reunion, Box 107, Joliet, MT 59041.

July 1-9, 1989: Can-Can Revival—Dance and music in Red Lodge.

Red Lodge Grizzly Peak-A-Boos, PO Box 934, Red Lodge, MT 59068.

July 1-9, 1989: Montana Centennial Rendezvous—Red Lodge, Living history and activities in the western rendezvous tradition.

Red Lodge '89ers, PO Box 1989, Red Lodge, MT 59068.

July 2-4, 1989: Red Lodge Centennial "Home of Champions" Rodeo—Red Lodge.

Red Lodge "Home of Champions" Rodeo, PO Box 710, Red Lodge, MT 59068.

July 2-9, 1989: Chinook Centennial—A week of festivities in Chinook.

Chinook Centennial '89ers, Box 428, Chinook, MT 59523.

July 3-4, 1989: Harlowton Rodeo—Western celebration, Harlowton.

Harlowton Chamber of Commerce Centennial Committee, Box 41, Harlowton, MT 59036.

July 4, 1989: Dedication of "The Explorers at the Portage"—Great Falls. A ceremonial unveiling of a bronze statue of Lewis and Clark, York, and Lewis' dog, Seaman, by sculptor Bob Scriver.

Western Legacy, 1104 Avenue C North West, Great Falls, MT 59404.

July 4, 1989: Old Time Fourth of July—Helena.

Capital City '89ers, 201 E. Lyndale, Helena, MT 59601.

July 4, 1989: Centennial Rodeo—Terry. Terry Centennial Committee, Box 6, Terry, MT 59349.

July 7-9, 1989: Chief Victor Days—Victor. A community celebration with a Centennial flavor.

Vitor Community Booster Club, PO Box 234, Victor, MT 59875.

July 7-9, 1989: Wild Horse Stampede and Parade—Wolf Point.

Wolf Point Chamber of Commerce and Agriculture, PO Box 237, Wolf Point, MT 59201.

July 15, 1989: Old Times Festival and Reunion—Fairview.

Fairview Annual Old Timers Festival & Reunion, c/o Doris Taylor, Fairview, MT 59221.

July 15-16, 1989: Homesteader Days—Huntley Project, 25th anniversary celebration of Homesteader Days, honoring pioneers.

Huntley Project Lions Club, Box 26, Ballantine, MT 59006.

July 15-16, 1989: Bannack Days—Bannack. Annual celebration of mining and frontier life at the site of Montana's first territorial capital.

Bannack State Park, 4200 Bannack Road, Dillon, MT 59725.

July 15-16, 1989: Hellgate Rendezvous—Missoula. Juried arts and crafts show.

Mary Lou Sennett, 905 Evans, Missoula, MT 59801.

July 15-August 15, 1989: Montana People Art Show—The third in a series of three shows at the MonDak Heritage Center, Sidney, Painting, drawings, three dimensional art.

MonDak Heritage Center, 120 3rd Ave. SE, Sidney, MT 59270.

July 21-23, 1989: Arts and Crafts Festival—Cottonwood Ranch, Roberts.

Beartooth '89ers, PO Box 1989, Red Lodge, MT 59068.

July 22, 1989: The Montana Centennial Parade—Great Falls. The official Centennial Parade—a grand celebration!

Cascade County '89ers, PO Box 2127, Great Falls, MT 59403.

July 22-29, 1989: Centennial Focus Week in Great Falls—A week of exciting community events.

Cascade County '89ers, PO Box 2127, Great Falls, MT 59403.

July 23-August 5, 1989: Centennial Ride Across Montana (CRAM)—Bicycle ride from Yaak to Alzada.

CRAM, 1616 Cannon #23, Helena, MT 59601.

July 24-25, 1989: Good Sam RV Wagon Train—Helena to Great Falls. A modern-day wagon train of recreational vehicles.

Montana Good Sams, 251 Sheafman Creek Road, Victor, MT 59875.

July 25, 1989: Senior Citizens Celebration Day—Great Falls, Sing-along and other festivities.

Cascade County Senior Citizens Celebration Committee, 2405 6th St. NW, Great Falls, MT 59404.

July 24, 1989: Old Time Fiddlers Festival—Great Falls.

Montana State Old Time Fiddlers, PO Box 6786, Great Falls, MT 59406.

July 29-August 6, 1989: Montana Centennial Derby—Great Falls. Thoroughbred race at State Fair.

State Fair Race Meet, PO Box 1524, Great Falls, MT 59404.

July 30, 1989: Bitterroot Art Show—Hamilton. Arts and crafts.

Bitter Root Arts Guild, 2176 Middle Bear Creek Rd., Victor, MT 59875.

#### AUGUST

Montana State Centennial Airshow of Helena—All styles and types of military and civilian aircraft.

Helena Area Chamber of Commerce 201 E. Lyndale, Helena, MT 59601.

Tree Planting—Hardin. Ceremonial planting of 41 trees to celebrate Montana's entrance to Union as 41st state.

Big Horn County Historical Museum and Visitor Center, Route 1, Box 1206A, Hardin, MT 59034.

Eastern Montana Fair—Miles City. An annual event with a Centennial flair.

Miles City Roundup '89, Miles City Chamber of Commerce, 901 Main, Miles City, MT 59301.

August 1-November 8, 1989: Centennial Memory—Series of 100 two-minute video episodes of select events from each year of Montana's statehood. Local TV stations.

Visual Dynamics, 125 E. Beckworth, Missoula, MT 59801.

August 3-6, 1989: Lewis and Clark Trail Heritage Foundation—National Meeting, Bozeman.

Lewis and Clark Trail Foundation, PO Box 577, Bozeman, MT 59715.

August 3-6, 1989: Sweet Grass County High School Reunion—Big Timber. A school reunion for all graduates; establishment of a permanent scholarship endowment for future graduates.

Sweet Grass High School Centennial Year Reunion, PO Box 89, Big Timber, MT 59011.

August 5, 1989: Ringling Reunion '89—Gathering of former and present residents; gamers, entertainment, banquet.

Ringling Women's Club, PO Box 137, Ringling, MT 59642.

August 5-13, 1989: Red Lodge Festival of Nations—Red Lodge. An annual event celebrating ethnic diversity and traditions.

Red Lodge Festival of Nations, PO Box 311, Red Lodge, MT 59068.

August 18-19: Cowboy Poetry Gathering—Big Timber. Western poetry and song.

Montana Cowboy Poetry Gathering, PO Box 1255, Big Timber, MT 59011.

#### SEPTEMBER

Miles Community College Anniversary Celebration—Miles City.

Cattle Drive and Rodeo—Miles City.

Miles City Roundup '89 Miles City Chamber of Commerce, 901 Main, Miles City, MT 59301.

September 4-9 1989:—Great Montana Centennial Cattle Drive—An old West cattle drive from Roundup to Billings.

Latigo Corporation, PO Box 1209, Red Lodge, MT 59068, 446-3767.

September 8-10, 1989: Centennial Golf Tournament—Bigfork.

Eagle Bend Golf Club, PO Box 960, Bigfork, MT 59911.

September 9, 1989: Town and Country Days—Circle. An annual event this year with a Centennial theme.

McCone County Centennial '89ers, Circle, MT 59215-321.

September 15-17, 1989: Libby Nordiefest—An annual cultural and educational event celebrating the Northern European roots and heritage of this community.

Libby Nordiefest Box 791, Libby, MT 59923.

September 16-17, 1989: 7th Annual Old Timers Rodeo—Great Falls.

Montana Legends of Rodeo, PO Box 6369, Great Falls, MT 59405.

#### OCTOBER

Harvest Festival—Miles City.

Miles City Roundup '89, Miles City Chamber of Commerce, 901 Main, Miles City, MT 59301.

The William A. Clark Collection—Montana Historical Society, Helena. An exhibition of art on loan from the Corcoran Gallery of Art, Washington, D.C. The exhibition is in Billings in May 1989.

Montana Historical Society, 225 N. Roberts, Helena, MT 59620.

#### NOVEMBER 8, 1989

Admissions Day (Montana's 100th Birthday):

Grand Celebration, Helena—A variety of gala events, participation of all Montana communities. Coordinated by Capital City '89ers and State Centennial Office.

Birthday Bell—Statewide ringing of bells.

KRTV, Box 1331, Great Falls, MT 59403.

Centennial Ball—Helena.

Capital City '89ers, 201 E. Lyndale, Helena, MT 59601.

#### DECEMBER

National Christmas Tree—Washington, D.C. The tree is from Kootenai National Forest near Libby.

#### CALENDAR OF EVENTS

11/2/88—North Dakota Kick-Off Celebration—Fargo.

11/5/88—South Dakota Centennial Kick-off—Sioux Falls.

11/8/88—Election Day.

11/8/88—Montana Centennial Kickoff.

11/11/88—Montana Veterans Day Centennial Ball—Miles City.

11/11/88—Washington Centennial Kick-off.

11/12-13/88—Montana Centennial Year Opening Ceremonies—Stevensville.

11/2/88—North Dakota Kickoff Celebration—Fargo.

11/24/88—Thanksgiving Day.

11/5/88—South Dakota Centennial Kick-off—Sioux Falls.

12/4/88—Hanukah.

12/25/88—Christmas Day.

1/1-31/89—Washington Pacific Celebration 1989 Begins.

1/1/89—New Year's Day.

1/16/89—Martin Luther King Day.

2/8/89—Ash Wednesday.

2/12/89—Lincoln's Birthday.

2/14/89—St Valentine's Day.

2/20/89—President's Day.

2/22/89—Washington's Birthday.

2/22/89—North Dakota Government Day—Bismarck.

2/22/89—Washington Washington's Birthday Gala.

2/23-26/89—Washington Winter Centennial Games—Wenatchee.

3/16-18/89—Montana 21st Annual C.M. Russell Art Auction—Great Falls.

3/17/89—St. Patrick's Day.



3/24/89—Good Friday.  
 3/26/89—Easter Sunday.  
 4/1-10/1/89—Washington A Time of Gathering Exhibit, Burke Museum—Seattle.  
 4/2-9/89—Wyoming Grand Opening Heritage Center—Gillette.  
 4/5/89—North Dakota Native American Day—Grand Forks, Devils Lake.  
 4/6-6/25/89—Montana Centennial Quilt Exhibition—Helena.  
 4/28/89—Montana All-Valley Centennial School Day—Bitterroot Valley.  
 5/1/89—Montana Wildlife Art Show Begins—Sidney.  
 5/3/89—South Dakota 1st Day Commemorative Postage Stamp Issue—Pierre.  
 5/5-6/89—South Dakota—Historical Society Annual Meeting/History Day—Pierre.  
 5/6/89—Montana The Spokane Memorial—Helena.  
 5/10/89—South Dakota East River Wagon Train Departs Elk Point.  
 5/12-14/89—Montana Miles City Bucking Horse Sale—Miles city.  
 5/13/89—North Dakota—Youth Day—Bismarck.  
 5/14/89—Montana Cowboy Poetry and Range Ballads—Miles City.  
 5/14/89—Mother's Day.  
 5/14/89—North Dakota Founder's Day—Dickinson, New Rockford.  
 5/29/89—Memorial day.  
 5/30/89—Wyoming Voyage of the Centennial Messenger on the Wind River—Riverton.  
 6/2-3/89—Montana Governor's Centennial Cup—Helena.  
 6/3/89—South Dakota Badlands 50th Anniversary Celebration—Cedar Pass.  
 6/5/89—South Dakota West River Wagon Train Departs Philip.  
 6/10-11/89—South Dakota Centennial Trail Dedication.  
 6/14-18/89—South Dakota Centennial Games—Sioux Falls.  
 6/15-7/15/89—Montana Places Art show—Sidney.  
 6/18/89—Father's Day.  
 6/23-25/89—Montana Centennial Celebration Days—Fort Benton.  
 6/23-25/89—South Dakota Dakotas Traditional Folk Arts Festival—Sioux Falls.  
 6/24-25/89—Montana Beartooth days—Red Lodge.  
 6/24/89—Montana Statehood Centennial Airshow of Bozeman—Bozeman.  
 6/30-7/5/89—Montana Daly Days: A Festival of the Arts—Hamilton.  
 7/1-4/89—South Dakota Happy Birthday Celebration.  
 7/1-9/89—Montana Centennial Rendezvous—Red Lodge.  
 7/1-9/89—Can-Can Revival—Red Lodge.  
 7/4/89—Independence Day.  
 7/4/89—Montana Dedication of "The Explorer's at the Portage"—Great Falls.  
 7/4/89—North Dakota Constitution Day—Bismarck.  
 7/15-8/15/89—Montana People Art Show—Sidney.  
 7/15-16/89—Montana Bannack Days—Bannack.  
 7/15-16/89—Montana Homesteader Days—Ballantine.  
 7/15-22/89—Montana Centennial Focus Week—Great Falls.  
 7/15/89—North Dakota—International Good Neighbor Day—Peace Garden.  
 7/22-23/89—South Dakota Celebrity Homecoming—Sioux Falls.  
 7/22/89—Montana The Montana Centennial Parade—Great Falls.  
 7/23-8/5/89—Montana Centennial Ride Across Montana (CRAM)—Yaak.

7/29/89—Washington "Wings Over Washington".  
 8/1-31/89—Washington Summer Centennial Games.  
 8/2-6/89—Washington Circum Pacific Pre-History Conference—Seattle.  
 8/3-6/89—Montana Sweet Grass County High School Reunion—Big Timber.  
 8/3-6/89—Montana Lewis and Clark Trail Heritage Foundation Nat. Meeting—Boz.  
 8/5-13/89—Montana Red Lodge Festival of Nations—Red Lodge.  
 8/7-11/89—Washington Pacific Summit.  
 8/12-13/89—South Dakota Military/Civilian Air Show—Sioux Falls.  
 8/23-27/89—Wyoming The Rocky Mt. Polka Festival, Salute to Centennial—Rock S.  
 8/29/89—South Dakota Beginning Centennial State Fair—Huron.  
 9/2-4/89—Wyoming Pre-Centennial and Centennial Rendezvous—Curt Gowdy St. Pa.  
 9/4/89—Labor Day.  
 9/4-9/89—Montana Great Montana Centennial Cattle Drive—Roundup/Billings.  
 9/9/89—Montana Town and County Day—circle.  
 9/10/89—Grandparent's Day.  
 9/15-17/89—Montana Libby Nordicfest—Libby.  
 9/30/89—Rosh Hashanah.  
 10/1/89—North Dakota Citizen's Day—Minot.  
 10/9/89—Yom Kippur.  
 10/31/89—Halloween.  
 11/2/89—South Dakota Statehood Day—100 Years.  
 11/2/89—North Dakota Statehood Day—100 Years.  
 11/3-4/89—South Dakota Centennial Ball/Arts Showcase—Pierre.  
 11/8/89—Montana Admissions Day—100 Years.  
 11/11/89—Veterans Day.  
 11/11/89—Washington Statehood Day—100 Years.  
 11/18/89—Washington Inaugural Ball.  
 11/23/89—Thanksgiving Day.  
 12/23/89—Hanukah.  
 12/25/89—Christmas Day.  
 1/1/90—New Year's Day.  
 1/15/90—Martin Luther King Day.  
 1/20-21/90—Idaho—National Snaffle Bit Futurity—Boise.  
 2/12/90—Lincoln's Birthday.  
 2/14/90—St. Valentine's Day.  
 2/19/90—Presidents' Day.  
 2/22/90—Washington's Birthday.  
 2/26-31/90—Idaho McCall Winter Carnival—McCall.  
 2/28/90—Ash Wednesday.  
 3/1-3/90—Idaho Resource Symposium—Boise.  
 3/17/90—St. Patrick's Day.  
 4/10/90—Passover.  
 4/13/90—Good Friday.  
 4/15/90—Easter Sunday.  
 5/13/90—Mother's Day.  
 5/28/90—Memorial Day.  
 6/2/90—Wyoming Dedication of New Facilities at Fossil Butte—Kemmerer.  
 6/15/90—Idaho Jai Alai '90—Boise.  
 6/17/90—Father's Day.  
 6/22-7/8/90—Idaho Ore-Ida Women's Challenge Centennial Tour of Idaho—Sand P.  
 6/29-30/90—Idaho—All County Reunion—Clark County.  
 6/30/90—Idaho Centennial Camporee—Stanley.  
 7/3-8/90—Idaho PNW Region Convention—National Model Railroad Assn.—Boise.  
 7/3/90—Idaho Statehood Day—100 Years.

7/4/90—Independence Day.  
 7/9-15/90—Idaho Indian Exposition—Boise.  
 7/9-22/90—Wyoming International Mountain Man Rendezvous—Teton County.  
 7/10/90—Wyoming Statehood Day—100 Years.  
 7/16-22/90—Idaho First Security Centennial Summer Games—Pocatello.  
 7/28-29/90—Idaho Air Show Idaho—Idaho Falls.  
 8/11-12/90—Idaho World Championship Rock Drilling Contest—Wallace.  
 8/12/90—Idaho Centennial Triathlon—Coeur d'Alene.  
 9/3/90—Labor Day.  
 9/9/90—Grandparent's Day.  
 9/16/90—Idaho Transpanhandle Triathlon—Sand Point.  
 9/20/90—Rosh Hashanah.  
 9/29/90—Yom Kippur.  
 10/8/90—Columbus Day Observance.  
 10/31/90—Halloween.  
 11/6/90—Election Day.  
 11/11/90—Veterans Day.  
 11/21/90—Idaho—Centennial Bowl—Pocatello.  
 11/22/90—Thanksgiving Day.  
 12/12/90—Hanukah.  
 12/25/90—Christmas Day.

## CENTENNIAL

In 1990 Wyoming is planning the "Celebration of the Century", for its first 100 years of statehood. The States' calendar for 1989 and 1990 is filled with events and activities that will celebrate the heritage of the past, the experience of today and the promise of the future.

In 1869, women received the right to vote, the first state to do so thus earning it the nickname "Equality State." On July 10, 1890, Wyoming added the 44th star to the American flag and in 1925, Wyoming elected the first woman governor, an historic achievement both in the state and in the nation!

For the past two years the state has been planning for this celebration. All of its citizens have volunteered their time and expertise to plan new activities and enhance the existing ones. You will find exciting plans no matter what time of year you choose to participate.

If you dream of being a pioneer, follow the many trails that crisscross the state established by the westward-bound emigrants that came to Wyoming, re-live the early fur-trade era at the International Mountain Man Rendezvous in Jackson. Visit the site of the battle between the white man and the Indians with a tour of Fetterman Ridge. During the nine day Bozeman Trail Days in Sheridan and Johnson Counties, take a tour that will give both the white man's perspective as well as an Indian's, whose grandfather fought in the battle. You may want to visit the Wind River Indian Reservation and take a Singing Horse Tour.

The Continental Divide Snowmobile Trail will be completed to add to Wyoming's Winter activities. This trail begins in the Lander/Riverton area and will run all the way to Montana. Over 395 miles of winter excitement. Weston County will host a Winter Festival complete with sleigh rides and a barn dance.

In anticipation of the Centennial, many writers and photographers have set out to document the states rich heritage. Every thing from a book on the lives of the "First Ladies" to a pictorial publication consisting of oral interviews and photographs of Wyo-

ming people. Even a document of Wyoming's rich and diverse cultural heritage will be produced. It will include poetry, literature and essays illustrated with photographs of paintings, sculptures, folk arts, crafts and architecture.

For a taste of Wyoming's ethnic heritage, attend the Polka Festival in Rock Springs, a square dance festival in Newcastle, and Old Time Fiddler's contest in Shoshoni or the Woodchopper's Jamboree in Encampment.

Six states in the Great Northwest will be celebrating their Centennials in 1989 and 1990. Montana, North Dakota, South Dakota and Washington in 1989. Idaho and Wyoming in 1990. The six states have joined together to commemorate this historic occasion. The admission of the states was the largest land mass to join the Union since the 13 original colonies. Each state has established a list of top 20 events for the celebration. A joint brochure listing each states entries will be distributed by the Travel Commissions of the six states.

Complete schedules may be obtained by contacting the Wyoming Centennial Commission, Herschler Building, First Floor, East, Cheyenne, WY 82202 or by calling (307) 777-5844.

Join in the excitement. Celebrate Wyoming's historic legacies, the many aspects of its diverse cultural heritage and its hopes and aspirations for the future.

Mr. ADAMS. Mr. President, I rise today to express my support for the legislation introduced by my friend from Montana, Senator BAUCUS which will create a commemorative coin marking the centennials of the Six Great Northwest States. I urge my colleagues to support this legislation and I hope that the House will pass similar legislation before the end of the 100th Congress.

In less than 100 days, my State of Washington will kickoff a yearlong, statewide celebration of the 100th anniversary of our admission to the Union as the 42d State. Washington's centennial celebration will include a stimulating mixture of events and activities. Among the festivities are fun runs, scholarly symposia, cultural exchanges with the Pacific Rim and exhibitions of the arts and native peoples.

Washington joined the Union in 1889. Five other States also joined in 1889 and 1890—Montana, North and South Dakota, Idaho and Wyoming. In our case, there had been a long struggle—since 1854—to gain the status of statehood and build upon the natural advantages of our climate and location for an exciting and prosperous future. And at 3:09 in the afternoon on November 11, 1889, the first elected Governor of Washington, Elisha P. Ferry, received a telegram letting him know that the Proclamation of Statehood had been signed by President Benjamin Harrison. My colleagues who share the feelings of Sagebrush Rebellion can read whatever they want into the fact that this telegram from the White House was sent collect for 61 cents!

To celebrate our centennials, the Six Great Northwest States have proposed a touring exhibit of documents and artifacts that illuminate the formation of these States, how they were explored and mapped, divided from each other and organized and incorporated into the Union. Called Documents West, this exhibit would provide a graphic introduction to America's greatest leap westward.

The centennial coin legislation, proposed by Senator BAUCUS, will provide financial support for the Documents West exhibit. This centennial coin will be a souvenir of the centennials of our six States and will help this interesting project, Documents West, along the way to completion.

I urge the support for this legislation and swift action in the House.

Mr. BURDICK. Mr. President, it is with a great deal of pride that I rise today to join my colleagues from the great Plains and Pacific Northwest in recognizing the centennial celebrations in our home States—1989 marks the onset of a swell of pride that will spread throughout the Northwest.

The Lewis and Clark trail will again come alive with the spirit of adventure and the sense of community that led thousands of true pioneers to settle there more than a century ago.

The rich farmland, endless grasslands, clean rivers, and breathtaking views can still be found in the great States of North Dakota, South Dakota, Montana, Washington, Idaho, and Wyoming. There is no more beautiful land to be found anywhere in these United States.

Mr. President, I would like also to thank my good friend and colleague, the gentleman from Montana, Mr. [BAUCUS], for his efforts in passing the Commemorative coin bill. The proposed centennial coins are just one sign of the cooperation that exists among the six States. I know that "Buckshot" Hoffner, energetic director of the North Dakota Centennial Commission, has met many other States. The centennial will truly be a celebration to beat all celebrations, and I am excited to be a part of it.

I congratulate the persistent people behind the Documents West project who, largely due to the efforts of Senator BAUCUS and Senator ADAMS, will now be able to realize their goal of being first to bring significant documents to the people west of the Mississippi. Documents West will be one of the most exciting educational programs to ever visit the great State of North Dakota. This important lesson in the history of our region will be of lasting value to our schoolchildren and to the adults who will, in the spirit of the centennial, take a moment to learn again.

Mr. President, I ask unanimous consent that a calendar of celebration ac-

tivities for North Dakota's Centennial be printed in the RECORD.

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

#### NORTH DAKOTA CENTENNIAL—SPECIAL DAYS CELEBRATIONS

In 1889 significant events led to North Dakota's statehood. In our centennial year the cities listed below will host celebrations on the 100th anniversary of those key events. In this way all North Dakotans and visitors can be connected to our past and glimpse the potential in our future.

#### JUNE 24, 25, 26, 1988—PRE-DIVISION DAY—JAMESTOWN

On July 10, 1888, a Pre-Division Convention was held for the Dakota Territory. Jamestown citizens will reenact these and other events.

#### NOVEMBER 2, 1988—STATEHOOD DAY—FARGO

The 99th anniversary of the day North Dakota was admitted to the union—the official beginning of our year-long centennial celebration—starts with an elegant Grand Ball, a video history production and program titled "North Dakota: The First 100 Years" and a televised "Centennathon" fund-raising auction featuring the state's most talented entertainers.

#### FEBRUARY 22, 1989—GOVERNMENT DAY—BISMARCK

Carving states out of Dakota Territory was a long time in coming until President Grover Cleveland signed the enabling act on this date in 1889. Emphasizing the role of government in our lives today is an open house for state agencies to show off their centennial projects, an ethnic groups presentation of our constitution to the state legislature and a symposium titled "Into Our Second Century: The Future for North Dakota" with North Dakota scholars.

#### APRIL 5, 1989—NATIVE AMERICAN DAY—GRAND FORKS

This day's colorful festival starts events honoring the state's original inhabitants and the descendants. A special art market will feature Indian artists. Native American athletes will demonstrate and participate in traditional games. A symposium on the oral traditions in storytelling and religion will be an entertaining way to learn more about Native Americans. In the state's elementary and secondary schools a special Native American curriculum will be used on this day.

#### MAY 14, 1989—FOUNDERS DAY—DICKINSON, NEW ROCKFORD

This marks the date delegates were elected to the first North Dakota Constitutional Convention, a prerequisite for statehood. Historical speeches, skits, a music show about "Motherhood and Apple Pie," an antique quilts display, walking tours of historic sites and the playing of old-fashioned games bring our history to life. Our strong religious foundations are celebrated in ecumenical worship services.

#### JULY 4, 1989—CONSTITUTION DAY—BISMARCK, MANDAN

In 1889 the first North Dakota Constitutional Convention opened on this date. The year's celebration in 1989 features entertainment from two centuries: the National Folk Life Festival with ethnic arts, crafts, foods and dances; an all-day extravaganza with popular, big-name entertainment on the state capitol grounds; the Art in the



Park exhibit and sale; the Official Centennial Parade with hundreds of entries; rodeos drawing the world's top cowboys and cowgirls; and wagon trains from across the state converging on the capitol city.

OCTOBER 1, 1989—CITIZENS DAY—MINOT

Voters approved the North Dakota Constitution and elected the state's first office holders on this date in 1889. A century later we will honor outstanding citizens with "Perspectives From the Past: A Forum of Notable North Dakotans," a reception for Sons and Daughters of the Pioneers, an historical documents exhibit, and a concert.

NOVEMBER 2, 1989—STATEHOOD DAY—PROPOSED IN FARGO

The dreams of thousands became reality in 1889 when President Benjamin Harrison signed North Dakota's statehood proclamation. Marking our 100th anniversary, Centennial Expo '89, a research and development show, looks to the future and state of the art products from multi national corporations, NASA, IBM and the U.S. Air Force, plus conferences on economic development and social issues.

Mr. McCURE. Mr. President, I want to give my unqualified and strongest support to S. 2283, a bill to authorize the minting of a coin to commemorate the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming. This bill has the support of all 12 Senators from the centennial States and from the citizens of those States as well.

Mr. President, legend has it that the name "Idaho" comes from an Indian word meaning "light on the mountains" or "gem of the mountains." Although historians have done their jobs and told us Idahoans that our long-held belief about the origin of our State's name is a myth, the reality is that Idaho is the gem of the mountains.

Idaho's terrain is so diverse it would surprise many of my colleagues in the Senate who haven't been to my State. Idahoans laugh about easterners who, once they have located the State in their minds-eye and realize Idaho is neither Ohio or Iowa, will, as if a lightbulb has just gone on, say "Oh! Potatoes and Sun Valley!" Well, Sun Valley is certainly a big asset to Idaho and has some of the best skiing in the world, and Idaho potatoes are unsurpassed, but there's a lot more to the Idaho that I know.

The Selkirk, the Sawtooths, the Bitterroots, the White Clouds, the Lemhi, the Clearwater Range, and the Bighorn Crags. These magical names reflect the glory of mountain ranges of unbelievable beauty.

The "Palouse," the fertile rolling hills of the southern panhandle region, alternates between bright green in the spring and golden yellow during the harvest of winter wheat.

The rugged country, covered with pine trees and dotted with lakes, of northern Idaho contrasts sharply with the craters of Moon National Monument in southern Idaho where volcan-

ic eruptions made the terrain so resemble the surface of the Moon that astronauts have trained there.

Aptly named, Hells Canyon, with the Snake River running through it, is the deepest gorge on the North American continent.

Idaho covers approximately 83,000 square miles—that's roughly the size of Pennsylvania and Ohio combined. The distance between Idaho's northern and southern borders is the equivalent of driving from Washington, DC, to Boston. Lake Pend Oreille is 1 of some 2,000 lakes in Idaho, and measures 180 square miles. Idaho has 35,000 miles of rivers.

Mr. President, this incredibly diverse State is home to some 1 million fiercely independent people. Idahoans are tough willed and free spirited. On July 3, 1990, Idahoans will celebrate a very special occasion—the centennial of the State we love.

The citizens of Idaho are preparing a centennial celebration which will not only reflect upon the State's past, but also celebrate the present and help prepare for the future.

The Idaho Centennial Commission and local centennial committees in each of Idaho's 44 counties are planning events and projects which will involve all of Idaho's 1 million citizens in the celebration. In addition, other activities are designed to attract people from outside of Idaho and give them the opportunity to share in our celebration.

Idaho's centennial celebration is already attracting national attention. Within the next few weeks, Parade magazine will feature participants in the Idaho Century Citizens Program. This is a program for over 200 current Idaho citizens who were born prior to Idaho becoming a State in 1890.

The Idaho centennial license plate, which we believe to be the most attractive license plate in the Nation, has received wide national attention, including features in both the Washington Post and Christian Science Monitor.

In late July, NBC's "Today Show" publicized a regional meeting of the six centennial States which was held in Boise. One of the events held during the meeting attracted in excess of 4,000 participants.

The reason for all of this attention stems from the massive amount of planning which is going into our celebration. This planning is resulting in projects and programs which will ultimately touch hundreds of thousands of people. Just a few of those projects include the following:

A scholarship program for Idaho history students.

A first-ever statewide exposition featuring all five of Idaho's Indian tribes.

Rehabilitation of numerous historic buildings.

The establishment of the Idaho Heritage Trust, a permanent trust fund to provide resources for historic preservation and natural resource conservation.

Development of the old mining town of Bayhorse into Idaho's Centennial State Park.

Production of a comprehensive 13 part public television series on the State and its people.

Numerous athletic competitions, including a 650-mile women's bicycle race which will be the longest such race on the world racing circuit.

A flotilla of boats coming from the Pacific Ocean to the Port of Lewiston, ID.

Publication of numerous books on Idaho and its people.

Development of a centennial trail from the Nevada border to the Canadian border.

Archaeological digs.

"Documents West," a six State project preparing classroom teaching materials which explain the importance of statehood. This project is jointly funded by the six State centennial commissions and the Commission on the Bicentennial of the U.S. Constitution. In addition, we hope to expand the project to include a major touring exhibit of documents and artifacts related to the six centennial States joining the Union. A portion of the revenues from the minting of the coin authorized by S. 2283, honoring the six centennials, would go to fund this element of the project.

This is by no means an exhaustive list. It is only the tip of the iceberg. However, it illustrates the commitment that we have to celebrating the 100 years since Idaho became a part of the Union. Our centennial offers us an opportunity to make a lasting beneficial impact upon future generation of Americans, not only from Idaho, but from all of our States.

Mr. President, the minting of a commemorative coin is an important symbolic tribute to the people of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming. In the spirit of the West, these six States are cooperating with each other and planning joint projects to celebrate our collective birthdays. I urge the Senate to honor these States by approving this bill and I thank the Senator from Montana, Mr. BAUCUS, and all of my colleagues who join me in cosponsoring this measure.

The PRESIDING OFFICER. The question is on agreeing to the committee substitute.

The committee substitute was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 2283) was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

# DWIGHT DAVID EISENHOWER COMMEMORATIVE COIN ACT OF 1988

Mr. DOLE. Mr. President, on behalf of myself, my colleagues, Senator KASSEBAUM, and Senator HEINZ, I send a bill to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2789) to require the Secretary of the Treasury to mint and issue \$1 coins in commemoration of the 100th anniversary of the birth of Dwight David Eisenhower.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, this bill would authorize the minting of a coin commemorating the 100th birthday of President Dwight David Eisenhower—one of this Nation's most respected and beloved leaders. Similar legislation has been introduced in the House of Representatives by Mr. GOODLING from Pennsylvania.

There would be no Government cost for minting and issuing this \$1 coin and the proceeds raised from the sale of the coin would be used to reduce the Federal deficit.

## LEGISLATIVE HISTORY

I would like to remind my colleagues in the Senate that an amendment similar to this bill was adopted in the Senate by voice vote on June 15, 1988. It was attached to the Bicentennial of the United States Congress Commemorative Coin Act, H.R. 3251. Unfortunately, the coin language was later dropped from the bill after it passed the Senate as part of a bipartisan, bicameral compromise.

As I recall, the House objection to the commemorative coin language was that the Banking, Finance and Urban Affairs Committee had not had an opportunity to review the legislation. The House Banking Committee's Subcommittee on Consumer Affairs and Coinage has since held a hearing on this issue.

The only differences between the amendment which passed the Senate on June 15, 1988 and this bill are three technical amendments proposed by the U.S. Mint. These amendments were adopted en bloc by the Con-

sumer Affairs and Coinage Subcommittee of the House Banking, Finance and Urban Affairs Committee this morning and have been incorporated into this bill.

## A FAVORITE SON OF KANSAS

Although our paths never officially crossed in Washington—I was elected to Congress in 1960, the last year of Eisenhower's Presidency—Dwight David Eisenhower has had a tremendous influence on me and on my home State of Kansas. He was my commander in chief during my combat duty in Europe, and both his military accomplishments and his record of public service made him a hero in the Sunflower State, across the country and around the globe. Although Ike was born in Texas, he grew up in Abilene, KS, and proudly claimed Kansas as his home. Kansas claims President Eisenhower as one of her favorite sons.

I can remember standing in the rain with a crowd of admirers waiting to greet the general when he came home in 1952 to announce his bid for the Republican Presidential nomination. As a Kansan and as a World War II veteran, I was proud of Ike and what he had accomplished. I think that everyone in that crowd felt the same way.

## A PERSONAL HERO

A few weeks after I was elected to Congress, I was fortunate enough to meet the President at the White House; a picture from that meeting still hangs in my office today. In 1985, when I became majority leader of the Senate, I selected two portraits to hang in my private office. I chose the two Presidents who have had the greatest influence on me—Abraham Lincoln and Gen. Dwight David Eisenhower.

This legislation obviously means a lot to me but I think it also means something to millions of Kansans, veterans, and, indeed, Americans from coast to coast.

## A RECORD OF SERVICE

Everyone will agree that Dwight David Eisenhower was a great soldier; his distinguished military record is familiar to us all. As President, Ike was admired around the world for his common sense, pragmatic approach to government.

Eisenhower was a statesman and a visionary leader—history tells us that many of his views on foreign policy and on America's responsibility as the leader of the free world still apply today. But, more than anything, Dwight David Eisenhower was a public servant. For that reason, he should be recognized.

## AN APPROPRIATE COMMEMORATIVE

This coin would be an appropriate commemorative. It will remind America of the things President Eisenhower stood for—service to God and country. I think that everyone who knew Ike will agree that this bill is consistent

with what he would have wanted. There will be no cost to the Government for minting and issuing these coins and any proceeds from the sale of the coins will be used to reduce the Federal deficit.

## CONCLUSION

As president of Columbia University, Eisenhower once said:

Our path in places is still obstructed by unfinished business, the debris of inequities and prejudices, not yet overcome. But, strong in the fundamental principles of American life, we have in \* \* \* two centuries, accomplished more for the community of men than was won in the previous forty.

In my view, Dwight David Eisenhower helped clear that path and furthered the cause of equality in America.

I urge each of my colleagues in the Senate to support this legislation.

Mr. HEINZ. Mr. President, I am honored to sponsor this legislation to commemorate the 100th birthday of President Eisenhower—one of our country's most admired and respected Presidents. This bill would pay tribute to this great civilian and military leader by authorizing the U.S. Treasury to mint a commemorative silver dollar bearing the likeness of the late President and a depiction of his historic home in Gettysburg. Proceeds from the sale of this coin would be used to reduce the Federal deficit.

This great American led our Armed Forces during World War II as Chief of Staff of the 3d Army and Supreme Commander of the Allied Expeditionary Forces. As important, as President he strove to restore and maintain peace throughout the world.

The minting of a coin that will be circulated to Americans across this land is a fitting tribute to the memory of President Eisenhower.

The PRESIDING OFFICER. If there are no amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2789

## SECTION 1. SHORT TITLE.

This Act may be cited as the "Dwight David Eisenhower Commemorative Coin Act of 1988".

## SEC. 2. DWIGHT DAVID EISENHOWER COMMEMORATIVE COINS.

(a) AUTHORIZATION.—Subject to subsection (b), the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall mint and issue one-dollar coins in commemoration of the one hundredth anniversary of the birth of Dwight David Eisenhower.

(b) LIMITATION ON THE NUMBER OF COINS.—The Secretary may not mint more than four million of the coins referred to in subsection (a).

(c) SPECIFICATIONS AND DESIGN OF COINS.—Each coin referred to in subsection (a) shall—

- (1) weigh 26.73 grams;
- (2) have a diameter of 1.500 inches;



(3) contain 90 percent silver and 10 percent copper;

(4) designate the value of such coin;

(5) have an inscription of—

(A) the year "1990"; and

(B) the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum";

(6) have the likeness of Dwight David Eisenhower on the obverse side of such coin; and

(7) have an illustration of the home of Dwight David Eisenhower located in the Gettysburg National Historic Site on the reverse side of such coin.

(d) **NUMISMATIC ITEMS.**—For purposes of section 5132(a)(1) of title 31, United States Code, the coins referred to in subsection (a) shall be considered to be numismatic items.

(e) **LEGAL TENDER.**—The coins referred to in subsection (a) shall be legal tender as provided in section 5103 of title 31, United States Code.

#### SEC. 3 SOURCES OF BULLION.

The Secretary shall obtain silver for the coins referred to in section 1(a) only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

#### SEC. 4 MINTING AND ISSUANCE OF COINS.

(a) **UNCIRCULATED AND PROOF QUALITIES.**—The Secretary may mint and issue the coins referred to in section 1(a) in uncirculated and proof qualities.

(b) **USE OF THE UNITED STATES MINT.**—The Secretary may not use more than 1 facility of the United States Mint to strike each such quality of the coins referred to in section 1(a).

(c) **COMMENCEMENT OF AUTHORITY TO SELL COINS.**—The Secretary may begin selling the coins referred to in section 1(a) on January 1, 1990.

(d) **TERMINATION OF AUTHORITY TO MINT COINS.**—The Secretary may not mint the coins referred to in section 1(a) after December 31, 1990.

#### SEC. 5 SALE OF COINS.

(a) **IN GENERAL.**—Subject to subsections (b) and (c), and notwithstanding any other provision of law, the Secretary shall sell the coins referred to in section 1(a) at a price equal to—

(1) the face value of such coins; and

(2) the cost of designing, minting, dies, use of machinery, and overhead expenses.

(b) **BULK SALES.**—The Secretary shall make any bulk sales of the coins referred to in section 1(a) at a reasonable discount to reflect the lower costs of such sales.

(c) **PREPARED ORDERS.**—Before January 1, 1990, the Secretary shall accept prepaid orders for the coins referred to in section 1(a). The Secretary shall make sales with respect to such prepaid orders at a reasonable discount to reflect the benefit to the Federal Government of prepayment.

(d) **SURCHARGES.**—The Secretary shall include a surcharge of \$7 per coin on all sales of the coins referred to in section 1(a).

#### SEC. 6 FINANCIAL ASSURANCES.

(a) **NO NET COST TO THE GOVERNMENT.**—The Secretary shall take such actions as may be necessary to ensure that the minting and issuance of the coins referred to in section 1(a) shall result in no net costs to the Federal Government.

(b) **PAYMENT FOR THE COINS.** The Secretary may not sell a coin referred to in section 1(a) unless the Secretary has received—

(1) full payment for such coin;

(2) security satisfactory to the Secretary to indemnify the Federal Government for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

#### SEC. 7 PROCUREMENT OF GOODS AND SERVICES.

(a) **IN GENERAL.**—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act.

(b) **EQUAL EMPLOYMENT OPPORTUNITY.**—Subsection (a) shall not apply with respect to any law relating to equal employment opportunity.

#### SEC. 8 REDUCTION OF FEDERAL DEBT.

The Secretary shall deposit in the general fund of the Treasury for the purpose of reducing the Federal debt an amount equal to the amount of all surcharges that are received by the Secretary from the sale of the coins referred to in section 1(a).

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### BILL PLACED ON CALENDAR— H.R. 176

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be discharged from further consideration of H.R. 176, and that the bill, to provide for the uniform disclosure of the rates of interest which are payable on savings accounts, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### BILL PLACED ON THE CALENDAR—H.R. 3011

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be discharged from further consideration of H.R. 3011, and that the bill, to amend the Truth-in-Lending Act to establish additional disclosure, advertising, and other requirements for home equity loans, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. If the majority leader will yield, we have nothing further on this side.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate now have a period for morning business, that Senators may speak therein for not more than 10 minutes and that, upon the yielding of the floor by Mr. McCURE, the Chair recess the Senate automatically under the order.

The PRESIDING OFFICER. Hearing no objection, that is the order.

#### UNCERTAINTIES AND SAFETY MAKE DUALITY CRITICAL FOR NEW PRODUCTION CAPACITY

Mr. McCURE. Mr. President, last month, an event occurred in a production reactor at the Savannah River plant that underscored, once again, the urgent need to establish redundancy in our Nation's material production complex.

According to the August 18 issue of the Atlanta Journal and Constitution, the "P" reactor was shut down "abruptly" on August 17, because of concerns that the operators of the reactor had not shut it down quickly enough 10 days before when the start-up of the reactor caused erratic power levels. The Department of Energy which owns the plant began an investigation which concluded the operators should have shut the plant down when they were unable to achieve a controlled nuclear reaction in the plant. The chairman of a safety advisory panel for DOE, John Ahearne, is quoted as saying:

The serious problem was they attempted to run the reactor and even raise the power level without understanding why it was not going up. When you run a reactor and you do not know what is going on, you shut it down. The preliminary conclusion is this shows a very bad attitude about safety.

The newspaper articles goes on to state that:

DOE officials confirmed the reactor suffered at least one unexplained "power spike" during a startup that was also plagued with mechanical problems and miscalculations. A power spike is an abrupt and unexpected increase in temperature and pressure.

The article quoted sources who said the spikes were short lived and did not pose a threat of a serious accident "although they could have resulted in severe damage to the reactor."

Mr. President, as I noted, an investigation is being conducted and I sincerely hope this reactor operates soon. My purpose in calling this matter to the attention of my colleagues is not to point a finger at the Savannah River plant or the Department of Energy, but to illustrate once again, how dependent this Nation is for our critical nuclear materials on three aging reactors operating, when they operate, at less than half power. Furthermore, we will continue to be dependent on them for at least 10 years.

If, in fact, "severe" damage had been done to the P reactor as a result of these power spikes, we would then be dependent on only two aging reactors, neither of which are operating at this time. I should note that the P reactor has been shut down since April for seismic issues, the K reactor has been down most of this year for long-term maintenance and the L reactor, which has been producing plutonium, is routinely shut down during the summer months for environmental reasons. DOE plans to put the L reactor to producing tritium when it is restarted this fall.

Mr. President, look at how vulnerable we are. I am deeply concerned that we find a way out of this dilemma. First of all, these reactors—all of them—must be made to run again and be kept running well. And as we do that, we must double our efforts to make sure this Nation never becomes so vulnerable again.

That is the Department of Energy's goal. In August the Secretary of Energy proposed a two-reactor strategy for production capacity. This proposal included a heavy water reactor [HWR] at Savannah River plant and a modular high temperature gas reactor [MHTGR] at the Idaho National Engineering Laboratory in Idaho. I applauded this recommendation at the time, and now seek to urge my colleagues to make this recommendation a reality. With two technologies and two sites, we will have the vitally necessary redundancy.

However, as I noted earlier, there are safety problems with the currently operating heavy water reactors at SRP. I fear these problems could impact the cost and schedule of the new production HWR. These were reported by the National Academy of Sciences last fall after the Academy conducted a safety review of DOE's production reactors at DOE's request. DOE has developed a program to address the problems, but that program will take at least 4 or 5 years. This is a grave concern, not only because of the need for the present reactors but because the safety reviews and analysis that make up the program are key to the design of the new production reactor.

I am most puzzled that this element of uncertainty in the HWR technology was not addressed by the Energy Research and Advisory Board panel that advocated the HWR for the new reactor.

Let me give some examples: The ERAB panel notes that:

Significant advances have been made in safety analysis, design and operation for all reactor technologies, and some . . . have been incorporated into the existing heavy water reactors . . . The NPR-HWR will be able to utilize the full range of these advances in its design, construction and operation.

The National Academy of Sciences's conclusions on this matter were just the opposite:

Adequate resources (at Savannah River) have only recently been devoted to developing a thoroughly documented understanding of the behavior of the reactors in a loss of coolant accident, and . . . the risks associated with the operation of the defense production reactors are currently inadequately understood. The effort to evaluate those risks by probability risk assessment methods are still in their early stages.

There are also conflicting opinions regarding the possibility of using light water reactor [LWR] safety work in the HWR effort. The ERAB panel said:

The HWR will be able to draw upon the extensive and well demonstrated safety technology base of the light water reactors. The R&D work draws on existing technology from the LWR industry and requisite research programs, including the LWR based loss of coolant accident and severe accident codes.

The panel reiterated this belief a number of times in making its recommendation.

The NAS report does not agree—

It is important to recognize the production reactors are quite different from commercial reactors. The application of computer codes developed for commercial power reactors to the unique circumstances of the production reactors present major difficulties. The existing level of understanding of severe accident behavior for the production reactors is inadequate to permit a realistic assessment of the effectiveness of these designs in mitigating the consequences of severe accident.

Mr. President, this difference of opinion is important to understand, because at a hearing before the Senate Energy and Water Appropriations subcommittee, Mr. John Ahearne, the chairman of the DOE safety advisory board, testified that there are safety analyses being done at Savannah River, and they have to be completed to give some confidence that those plants could go up in power. Then he noted:

Separate analyses would probably be required for a new design. The new design would be different. Obviously you can capture some of the work that has already been done, some of the work will be directly applicable, but I do not think that automatically you can assume that the work being done for the older design is going to be applicable for the new design.

This signifies to me that there are uncertainties about the new HWR that could seriously delay the construction of the plant as well as add significantly to its cost. We must be aware of these uncertainties and plan for delays by pursuing the two track strategy laid out by DOE. Duality or redundancy—call it what you will—is the only way we can ensure our national security needs are protected into the next century.

Mr. President, I ask unanimous consent that the referred-to article in the Atlanta Journal and Constitution of

Thursday, August 8, 1988, be printed in the RECORD.

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

#### SRP REACTOR SHUT DOWN AS FEDS INVESTIGATE SAFETY

A nuclear reactor at the government's Savannah River weapons plant was shut down abruptly Wednesday because of concerns that the operators of the reactor did not shut it down quickly enough when confronted 10 days ago with erratic power levels.

Du Pont ordered Savannah River's "P" reactor shut down Wednesday in the wake of a Department of Energy investigation.

The investigation by the safety division of the Energy Department, which owns the plant, concluded that Du Pont operators should have immediately shut P reactor down on Aug. 9, when they were unable to achieve a controlled nuclear reaction in the plant.

Roger Rollins, reactor safety manager for the Energy Department at Savannah River, said Wednesday that the reactor power levels consistently stayed below predicted levels during the incident, and that the plant was never operated in an unsafe manner.

But the chairman of a safety advisory panel recently appointed by Energy Department Secretary John Herrington said he was not so sure.

"The serious problem was they attempted to run the reactor and even raise the power level without understanding why it wasn't going up," said John F. Ahearne. "When you run a reactor and you don't know what's going on, you shut it down. . . The preliminary conclusion is this shows a very bad attitude about safety."

Energy Department officials confirmed that the reactor suffered at least one unexplained "power spike" during a start-up that was also plagued with mechanical problems and miscalculations.

A power spike is an abrupt and unexpected increase in temperature and pressure. Savannah River officials confirmed that one spike occurred during the reactor's start-up Aug. 7 and 8. Other sources said there were several.

Sources said the spikes were short-lived and did not pose the threat of a serious accident, although they could have resulted in severe damage to the reactor.

But the incident alarmed Energy Department safety officials, largely because Savannah River operators continued to run the reactor during the spikes and even increased power, although the reactor had behaved unpredictably in earlier stages of the start-up.

One official called the episode a "complete collapse" of safety procedures that, in other circumstances, could have resulted in a disaster the magnitude of the 1986 nuclear accident in Chernobyl.

"They were pulling control rods to get the reaction up and they didn't have any idea what was going on," said the official, who declined to be named. "If the reactor had been running at higher power, it could have been a tragedy."

Control rods are the "brakes" on a nuclear reaction—inserting them slows the reaction, and removing them speeds it up. Unknown to its operators, sources said, natural forces within the reactor were acting to suppress a nuclear reaction. Had circumstances conspired to increase reactivity instead, they



said, the manipulations by the operators could have pushed the reactor beyond its limits, with potentially catastrophic results.

The incident also stunned members of a special safety advisory board named by Herrington last year. The group was charged with advising the department on safe operations of its production reactors, in part to head off congressional efforts to establish a more formal oversight panel.

Mr. Ahearn, the former Nuclear Regulatory Commission chairman who heads the board, was unaware of the reactor start-up problem until he was contacted by a reporter Tuesday night.

"At the moment, I'm pretty angry at the Savannah River office," Mr. Ahearn said Wednesday. "We were clearly told that if there were any problems we would be notified."

Mr. Ahearn confirmed that he had sent an "angry" letter to Savannah River Wednesday, hours before plant managers announced their decision to shut down. He declined to detail its contents, but said that he had advised an immediate shutdown.

An Energy Department safety review team dispatched to Savannah River Aug. 11, after the incident was reported to Washington, also initially recommended that the reactor be shut down immediately. Instead, Energy Department officials issued the equivalent of a "show-cause" order Tuesday to Savannah River contractor Du Pont, giving the company 43 hours to explain why the reactor should not be taken out of operation.

Ernest Baynard, assistant energy secretary for environment, safety and health, said Tuesday night that the reactor had been stabilized at about 40 percent power and "there appears to be nothing warranting immediate shutdown."

According to Energy Department officials, the primary issue is why operators ignored obvious signs of trouble and continued boosting reactor power.

"It's not the unexplained incidents that bother me but the reaction the operator has to them," Mr. Baynard said. "They have to know when to bring the reactor down. They

shouldn't keep on raising the power in the reactor."

According to Department officials, and other sources, the incident began Aug. 7 when operators began to restart the P reactor, which has been shut down since early April for safety modifications and maintenance. Operators immediately ran into problems, apparently because engineers had failed to calculate accurately the amount of decay products that had built up in the tritium-produced reactor during its shutdown.

The decay products—primarily helium 3, according to plant manager William Kasper—act as a "poison" to a nuclear reaction, absorbing neutrons and slowing the reaction. Initiating and sustaining a nuclear reaction requires a certain level of neutron activity, which a reactor "poison" can thwart.

"The presence of helium 3 in the quantities that we saw made the reactor more difficult to start up than had been predicted," Mr. Kasper said.

However, sources said that operators were unaware of what was blocking the reaction during the start-up. Puzzled by the reactor's behavior, the operators pulled more control rods in an effort to boost the reaction.

Each time more control rods were pulled, however, the reaction briefly surged and then subsided again. Instead of a smooth increase in power, the reactor showed "spikes." The reason was that the decay products were acting as an internal brake, counteracting the effect of pulling out more control rods.

Mr. McClure. Mr. President, I yield the floor.

#### ORDERS FOR THURSDAY

RECESS UNTIL 10:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, there be a period for morning business to extend until the hour of 11 o'clock and that Senators be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RECESS UNTIL 10:30 A.M. TOMORROW

The PRESIDING OFFICER (Mr. ADAMS). Under the previous order, the Senate now stands in recess until 10:30 tomorrow morning.

Thereupon, at 5:06 p.m., the Senate recessed until Thursday, September 15, 1988, at 10:30 a.m.

#### NOMINATION

Executive nomination received by the Senate September 14, 1988:

**INSTITUTE OF AMERICAN INDIAN AND ALASKA  
NATIVE CULTURE AND ARTS DEVELOPMENT**

HERMAN AGOYO, OF NEW MEXICO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM OF YEARS PRESCRIBED BY PUBLIC LAW 99-498 OF OCTOBER 17, 1986 (NEW POSITION).

#### CONFIRMATION

Executive nomination confirmed by the Senate September 14, 1988:

**DEPARTMENT OF THE TREASURY**

NICHOLAS P. BRADY, OF NEW JERSEY, TO BE SECRETARY OF THE TREASURY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.