



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141

WASHINGTON, THURSDAY, NOVEMBER 9, 1995

No. 177

Senate

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Andrew Jackson said, "Every good citizen makes his country's honor his own and cherishes it not only as precious but as sacred. He is willing to risk his life in its defense and is conscious that he gains protection while he gives it."

Gracious God, all through our history as a nation, You helped us battle the enemies of freedom and democracy. Many of the pages of our history are red with the blood of those who made the supreme sacrifice in just wars against tyranny. Those who survived the wars of the past half century are all our distinguished living heroes and heroines. They carry the honored title of veterans.

Tomorrow, we will set aside the day to express our debt of gratitude. We seek to make it a day of prayer for our Nation. Help us to commit ourselves anew to the battle for the realization of every aspect of Your vision for our Nation.

You have helped us conquer external enemies; now give us the same urgency in our internal battles against racial divisions instigated by any race or group. Renew our strength as we press on toward a truly integrated society with equal opportunity for all people. Make us one. Help us to press on in the American dream to banish vociferous expressions of hostility and hatred in our society. Make us all seasoned veterans in the daily struggle for righteousness in our land. In Your holy name. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. THOMAS). Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not to exceed 5 minutes each.

Under the previous order, the Senator from Alaska [Mr. MURKOWSKI] is recognized to speak for up to 20 minutes.

SCHEDULE

Mr. MURKOWSKI. Mr. President, I have been asked to make a statement on behalf of the leader.

This morning the leader's time has been reserved. There will be a period for morning business until the hour of about 12 noon today.

The majority leader has stated that following morning business, the Senate may begin consideration of the continuing resolution. The Senate may also consider the debt limit extension during today's session, and all Senators can, therefore, expect rollcall votes throughout the day and a late session may be necessary in order to complete action on any or all of these items. Definite announcements on the indefinite schedule will be forthcoming throughout the day.

ARCTIC OIL RESERVE

Mr. MURKOWSKI. Mr. President, I would like to continue a series of presentations I have made in this body concerning the opening of the Arctic oil reserve in ANWR.

Before I make a reference to the specifics, let me show you a map and share with you an observation relative to this huge landmass of Alaska, which is one-fifth the size of the United States. In the Arctic region, above the Arctic Circle facing the Arctic Ocean, we have a resident population of Eskimos. The primary area where they are concentrated is in Barrow. It moves down to Wainwright, Icy Cape, Point Lay, Kaktovik, over to the Canadian border.

They are a nomadic people that to a large degree depend on subsistence for a lifestyle, but as a consequence of the oil discovery in Prudhoe Bay, they now have a tax base. They now have jobs. They are beginning to generate sewer and water facilities in the larger villages. This is brought about only because of the reality of having a tax base and activity in their area.

If I may share with you, Mr. President, the issue of opening up the Arctic oil reserve of ANWR for a quick review, it involves Congress taking action on authorizing the lease-sale of 300,000 acres out of the 19 million acres of ANWR. That is a pretty small footprint. Most of ANWR, about 17 million acres, has been set aside in perpetuity by Congress in either wilderness or refuge. That is evidenced by the area in green. Congress set aside the yellow area in 1980 for a determination at a later time, whether to allow oil and gas leasing. The area in red is the small Eskimo village of Kaktovik. This is located on the map in this far corner of Alaska near the Canadian border.

The reality is that Prudhoe Bay, which is the largest oil field in North America and has been producing about 25 percent of the total crude oil produced in the United States for the last 18 years, is now in decline. As a consequence, geologists tell us this is the most likely area for a major oil discovery to be found.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



Printed on recycled paper.

S16841

This happens to be Federal land. As a consequence, only the Federal Government can authorize opening it. Both the House and Senate, in the reconciliation package, have included a proposal to allow the lease-sale. It is anticipated the lease-sale will bring about \$2.6 billion, funded strictly by the oil companies who would bid on these Federal leases. This would provide the largest employment, the largest concentration of new jobs that we can identify in North America, some 250,000 to 700,000 jobs over the anticipated life of the field.

Is it needed? Certainly it is needed, because the Prudhoe field is in decline, from about 2 million barrels a day to about 1.5 million barrels a day. When Prudhoe Bay was found and opened, we were about 34 percent dependent on imported oil. Today we are 51.4 percent dependent on imported oil. Much of that oil comes from the Mideast, so we are becoming more and more dependent on the Mideast. We are relying, obviously, on governments that have shown some instability—Iraq, Libya. It is still very much of a hot spot from the standpoint of stability. Yet, we are sending our dollars and sending our jobs overseas when we could be developing our own resources. The question is, can we do it safely? And the answer clearly is yes.

The problems that we have associated with opening this are emotional arguments from America's environmental community. Let me show you an ad that appeared in the Washington Post. It appeared in the Roll Call. This is an ad by the Indian Gaming Association. It shows a little native girl whose future could be affected by an act of Congress. The headline is, "Don't Tax Her Opportunity To Get Off Welfare."

The same situation applies to the Alaska Natives and the exploration in this area. As we look at Alaska and the large area, the idea of oil exploration in this very, very small area is the only identified job opportunity for the Eskimo people in the Arctic.

What about rural Alaska? It is an area that probably has about the highest unemployment of anywhere in the United States. Rural sanitation was virtually unknown until a few years ago. There are a few villages that have running water. Most of them still have

honey buckets instead of indoor plumbing.

What we have here is a case of wealthy environmental and preservation organizations that are opposed to opening up this area to create jobs for Alaska's Eskimo and Native people. The Eskimo people want jobs. They want to have a future. They want to have an opportunity to educate their children. They live in a harsh climate. Without exception, virtually the entire Eskimo population of Alaska supports opening this area.

What does the issue consist of? Some have said, "Well, it is big oil." I would suggest that we reflect for a moment and recognize that the big business associated with this issue is really the big business of America's environmental community. Where do these people live? Washington, DC; New York; Boston. They take indoor plumbing for granted. They oppose ANWR. Today a number of them are meeting down at the White House with the administration on this and a number of other environmental issues.

It has been suggested that this is going to harm the Arctic and harm the Eskimo and native way of life. The Eskimo people would not do anything to harm their environment. They want safe oil development because they want better lives. And, clearly, as I have indicated, because of our increased imports of foreign oil, America needs the oil.

Many of the professional environmentalists have never been up to the Arctic oil reserve of ANWR and have never been up to this part of Alaska. They do not really care about the Eskimos' or Natives' future. Some of them have been up and have shared some of the unique experiences in some of this area. It is a very expensive operation. It takes about a \$5,000 bill to charter an aircraft and hire the comforts of life that are necessary to enjoy and experience the wilderness.

But make no mistake, we are talking about a very small footprint—authorizing 300,000 acres out of 19 million acres. And industry says, if the oil is there, they can develop it within 2,000 acres.

Mr. President, if you have ever been out to Dulles International Airport, that complex is 12,500 acres. If you compare the huge area of ANWR, it is

about the size of the State of South Carolina. We are only talking about 2,000 acres, if the oil is there.

Who are these professional environmental groups? Why do they focus on an issue way up in North America that most Americans cannot see? It is far away. It is costly to get there. The answer is these organizations need a cause. A cause gives them dollars. A cause gives them membership.

Mr. President, they are now big business. The environmental movement's income, salaries, contributions, and investment patterns are extraordinary. I would like to share a report from the Center for the Defense Free Enterprise that gives us all an opportunity to review some of the executive salaries, expense accounts, the huge incomes, the big investment portfolios, the big offices, and the staff. The report says that the environmental movement is arguably the richest and most powerful pressure center in America.

So just what kind of people make up the professional environmental establishment? They are certainly better off than the Native people of Alaska. Let me share some of the executive compensations, just a few that are listed here.

The Nature Conservancy, John Sawhill, president and chief executive, salary \$185,000, benefits \$17,118; National Wildlife Federation, Jay Hair, executive director, salary, benefits, expense account, roughly \$300,000; World Wildlife Fund, Kathryn Fuller, executive director, salary, \$185,000, total with benefits, \$201,650; and on down the line. Over here is the Environmental Defense Fund, Fred Krupp, executive director, salary, \$193,000, with benefits \$210,000. That is big business.

These 12 groups I have listed here have a net worth—not just in thousands, not hundreds of thousands, but \$1.03 billion. Their combined revenue for 1 year was \$633 million. Their 4-year lobbying expenses were \$32 million. This is big business.

Mr. President, I ask unanimous consent that tables entitled "Executive Compensation" and "Environmental Organization Incomes" be printed in the RECORD.

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

EXECUTIVE COMPENSATION

| Organization | Executive | Title | Salary | Benefits | Expense account | Total |
|------------------------------------|--------------------|-------------------------------|-----------|----------|-----------------|-----------|
| The Nature Conservancy | John Sawhill | President and Chief Executive | \$185,000 | \$17,118 | None | \$202,118 |
| National Wildlife Federation | Jay Hair | Executive Director | 242,060 | 34,155 | \$23,661 | \$299,876 |
| World Wildlife Fund | Kathryn Fuller | Executive Director | 185,000 | 16,650 | None | 201,650 |
| Greenpeace Fund | Barbara Dudley | Executive Director Acting | 65,000 | None | None | 65,000 |
| Greenpeace Inc. | Stephen D'Esposito | Executive Director | 82,882 | None | None | 82,882 |
| Sierra Club | Carl Pope | Executive Director | 77,142 | None | None | 77,142 |
| Sierra Club Legal Defense Fund | Vawter Parker | Executive Director | 106,507 | 10,650 | None | 117,157 |
| National Audubon Society | Peter A. A. Berle | President | 178,000 | 21,285 | None | 199,285 |
| Environmental Defense Fund | Fred Krupp | Executive Director | 193,558 | 17,216 | None | 210,774 |
| Natural Resources Defense Council | John H. Adams | Executive Director | 145,526 | 13,214 | None | 158,740 |
| Wilderness Society | Karin Sheldon | Acting President | 90,896 | 22,724 | None | 113,620 |
| National Parks & Conservation Assn | Paul C. Pritchard | President | 185,531 | 26,123 | None | 211,654 |
| Friends of the Earth | Jane Perkins | President | 74,104 | 2,812 | None | 76,916 |
| Izaak Walton League of America | Maitland Sharpe | Executive Director | 76,052 | 5,617 | None | 81,669 |
| Total | | | 1,887,258 | 187,564 | 23,661 | 2,098,483 |

Source: Center for the Defense of Free Enterprise.

ENVIRONMENTAL ORGANIZATION INCOMES

| Organization | Revenue | Expenses | Assets | Fund balances |
|--|---------------|---------------|---------------|---------------|
| The Nature Conservancy (fiscal 1993) | \$278,497,634 | \$219,284,534 | \$915,664,531 | \$855,115,125 |
| National Wildlife Federation (1993) | 82,816,324 | 83,574,187 | 52,891,144 | 13,223,554 |
| World Wildlife Fund (fiscal 1993) | 60,791,945 | 54,663,771 | 52,496,808 | 39,460,024 |
| Greenpeace Fund, Inc. (1992) | 11,411,050 | 7,912,459 | 25,047,761 | 23,947,953 |
| (combined different years) | (48,777,308) | | | |
| Greenpeace Inc. (1993) | 37,366,258 | 38,586,239 | 5,847,221 | <5,696,375 |
| Sierra Club (1992) | 41,716,044 | 39,801,921 | 22,674,244 | 14,891,959 |
| Sierra Club Legal Defense Fund (1993) | 9,539,684 | 9,646,214 | 9,561,782 | 5,901,690 |
| National Audubon Society (fiscal 1992) | 40,081,591 | 36,022,327 | 92,723,132 | 61,281,060 |
| Environmental Defense Fund (fiscal 1992) | 17,394,230 | 16,712,134 | 11,935,950 | 5,279,329 |
| Natural Resources | | | | |
| Defense Council (fiscal year 1993) | 20,496,829 | 17,683,883 | 30,061,269 | 11,718,666 |
| Wilderness Society (fiscal 1993) | 16,093,764 | 16,480,668 | 10,332,183 | 4,191,419 |
| National Parks & Conservation Assn. (1993) | 12,304,124 | 11,534,183 | 3,530,881 | 769,941 |
| Friends of the Earth (1993) | 2,467,775 | 2,382,772 | 694,386 | <120,759 |
| Izaak Walton League of America (1992) | 2,036,838 | 2,074,694 | 1,362,975 | 414,309 |
| Total | 633,014,090 | 556,359,986 | 1,234,824,267 | 1,030,377,841 |

Source: Center for the Defense of Free Enterprise.

Mr. MURKOWSKI. These environmental organizations obviously make a tremendous contribution to America in many regards. But, as far as their efforts against the Eskimo people in my State, it is not a fair fight. How does this \$1 billion fund with account balances and assets stack up with the Eskimo and Native people, the 7,500 Eskimo people of the North Slope, and their opportunities for a job, a lifestyle, an education, and a future for their children?

Mr. President, this list shows that the environmental community in America is bigger than many of our corporations. This group has indoor plumbing. This group has opportunities for their children and running water. They do not have to put up with honey buckets. It is not wrong to stand up for what you believe in, but it is wrong to have a double standard. The national environmental establishment operates under a double standard.

Let us look at some of the practices. They block safe development of the Arctic oil reserve of ANWR. But many of them have gone ahead and developed their own resources. John Roush of the Wilderness Society cut massive timber; clearcut on his land in Montana next to some prime Forest Service land. That is his own business, and it is fine. But it is a double standard here, if they do not practice what they preach.

Bill Arthur, Sierra Club, Northwest representative clearcut land in eastern Washington. That is fine. It is his business. He has a right to do it.

George Atiyeh of the National Audubon Society's TV show "Rage Over Trees" cut trees on land in the Willamette National Forest drainage that he supposedly wanted to protect near Opal Creek. The National Audubon Society allowed 37 wells to pump gas from the Paul J. Rainey sanctuary in Louisiana, \$25 million in revenues; allowed grazing, gas leases in the Bernard Baker Refuge in Michigan; timber cutting at Silver Bluff Plantation sanctuary.

Well, Mr. President, I do not criticize that. But I do criticize their objections to allowing the Eskimo and Native people of Alaska to have an opportunity to participate in jobs in an area that they are going to protect. Environmental groups continue to generate funding to lobby these and other efforts that are

certainly contrary to the interests of the individual people.

So who are these environmental preservation groups? Many of them are Clinton administration officials who used to work or hold positions with these national pressure groups.

Let us take a look at some of the people in the administration today, and where they came from.

The budget director, Alice Rivlin, associated formerly with the Wilderness Society; Secretary of the Interior, Bruce Babbitt, League of Conservation Voters; John Leshy, Solicitor at the Department of the Interior, National Resource Defense Council; Bonnie Cohen, Assistant Secretary of the Interior, Sierra Club; Brooks Yeager, Director of the International Office of Political Analysis, Sierra Club; George Frampton, Assistant Secretary for Fish and Wildlife, Wilderness Society; Donald Barry, Deputy Assistant for Fish and Wildlife, World Wildlife Fund; Destry Jarvis, Assistant Director of National Park Service, formerly National Park and Conservation Association; Rafe Pomerance, Deputy Assistant Secretary of State, Environmental Action; Lois Schiffer, assistant Attorney General, League of Conservation Voters.

I could go on and on and on, Mr. President. All I am suggesting to you is, obviously, these people in the administration are in policymaking positions, and they have their own point of view, which is prevailing certainly in the administration's attitude toward allowing development—not just in ANWR, in the Arctic oil reserve, but on grazing issues, on mining issues, on timber issues, and virtually every issue relative to development of resources on public lands—is opposed by the administration. And the rationale is clear. These people are in positions of making policy, and the environmental community is very supportive of most of their efforts and causes.

As a consequence, when the people in the area like the Eskimo and Native people in my State of Alaska are not given the consideration relative to their obligation to protect their own land, to protect the resources, the caribou and others, it is clearly not a fair fight.

Let me show you a picture, Mr. President, of the caribou wandering

around the Prudhoe Bay oilfield. What you can see here are lots and lots of caribou. You can see the oil pipeline. You can see an oil rig under development. Once that well is drilled, that rig is gone, the caribou are still there, and the pipeline is still there. So there is a compatibility.

The conclusion, Mr. President, is that this first ad that I showed you—this is the ad that says, "Do not tax our opportunity to get off welfare." This focuses our attention on the plight of some of the poorest people in America.

That includes many of the Eskimo people who live on the Arctic Ocean. Like the rest of us, they want jobs. They want education. They want a better way of life. In Alaska, my State, the Natives voted in favor of this development.

What about the rest of America? All America would stand to benefit by this. It would be the largest concentration of jobs. Most of these would be union jobs. It would relieve our dependence on imported oil. There is no way that one can make a case that this would have any detrimental effect on the environment. We have proven this in opening up Prudhoe Bay.

There is absolutely no evidence to suggest that we cannot open up this area safely. The same arguments that prevailed in 1970 against opening up Prudhoe Bay are the arguments that are being used today to try to stop opening up the Arctic oil reserve.

Today we have the advanced technology. We have a greater capability, and we can do it safely. So when you see the young girl in the advertisement, think of the natives in Alaska and tell Secretary Bruce Babbitt and some of the high-priced environmental army that he has to think twice before blocking ANWR.

As I have indicated, this is not a case of big oil. The Eskimo people are in a survival fight, as are the other Native residents of Alaska, to try and offset the tremendous momentum that the environmental community has in objecting to the opening of this area.

Do not sell American ingenuity short. We have heard the arguments before on Prudhoe Bay. We can open it up safely given the opportunity.

I am going to read into the RECORD a short account from the North Slope

Borough and the Arctic Slope Regional Corp. This is the concentration of the 7,500 Inupiat Eskimo people who live on the North Slope of Alaska. A few days ago they called Secretary Babbitt's participation in a press conference here in Washington where he proposed objecting to opening ANWR as a shameful disgrace to his office.

Those are harsh words, Mr. President, but the Eskimo people attempted to remind the Secretary that he has a legal duty to serve as a trustee for all Native Americans, and the Eskimo people think he has violated that duty as a trustee and a fiduciary to the Eskimo people. He has done so by joining a small minority, which is 1 percent, I might add, of Alaska's native people who are opposed to opening up the Arctic oil reserve.

It is rather interesting to note who funds the Gwich'ins. It is the Sierra Club and the environmental groups that put ads in the New York Times, and so forth, and inhibit, if you will, through fear tactics such as I observed when I was in one of the Gwich'in villages, an Arctic village this summer, a big, slick, Hollywood picture of the Buffalo in the tribal house. Underneath it, it said: "Don't let happen to the Porcupine caribou herd what happened to the buffalo." Obviously, we were out to shoot the buffalo years and years ago when the buffalo became extinct on the ranges of the Western United States.

That is not the case with oil exploration, and we can protect the Porcupine caribou herd without a doubt, just as we have seen the tremendous growth of the central Arctic herd. Before oil, that herd was about 4,000 animals. Today there are about 20,000 animals.

Let me go on with that statement.

Furthermore, the Eskimos indicate that Alaska's 90,000 Aleut, Indian and Eskimo people support opening the coastal plain to oil and gas leasing. In a vote of the Alaska Federation of Natives in their delegation meeting, they voted 2 to 1 in support of creating jobs through development.

They further state that the Inupiat Eskimo people who reside on the Arctic Ocean of Alaska favor virtually unanimously opening the coastal plain. They indicate that they have lived with the oil industry for 25 years. The North Slope oil development is safe. It is compatible with the caribou and wildlife, and oil development has given them jobs, a tax base for essential public services and an economic opportunity for all Alaska's native people.

They further state that, properly regulated, North Slope oil development is fully compatible with the caribou, the birds, the fish, and the wildlife on which the people depend. This is the Eskimo people speaking, Mr. President.

They further state—and I think this is probably most significant as we reflect on the ad that I referred to earlier: "Don't tax her opportunity to get off welfare"—the Eskimo people are

trying desperately to work their way out of Federal dependency. And because of their success, they now find themselves opposed at nearly every turn by the Assistant Secretary for Indian Affairs, Ada Deer, who spoke in Anchorage at the convention. She opposes successful native American corporations and organizations. One concludes she wants the Eskimo people to be dependent—not independent but dependent—on the Bureau of Indian Affairs.

The Eskimos indicate that dependence kills self-initiative; it breeds a welfare society. They want to follow the American way, the way of independence, self-help, individual responsibility, family values, sense of community. This is what the Eskimo people of the Arctic want. They want this opportunity. Yet, the environmental community suggests that it is the wrong thing to do because the environmental community is trying to scare America saying we cannot open it safely.

The Eskimos indicate that it is a tragic day for the 7,500 Inupiat Eskimo people. It is the first time, they say, that the Secretary of the Interior has rejected his trust responsibilities to pursue the naked political objectives of those who are opposed to the interests of native Americans.

They indicate that the Secretary of Interior and his administration penalize hard work, penalize success. They want to champion dependency, welfare and allegiance to an incompetent Bureau of Indian Affairs. They put the commercial fund-raising interests of environmental organizations over those of the 7,500 Eskimo people who need help.

Secretary Babbitt, and, unfortunately, this administration, seem to oppose opening the coastal plain on the one hand, yet they are actively selling OCS oil and gas leases in the Arctic Ocean adjacent to the coastal plain. Well, they simply have it backwards. Oil development onshore is safe. Oil development in the isolated Arctic wind-driven waters of the ocean is risky. It is hazardous. So as a consequence the word of the Eskimo people is the word of the people who live in the area, who have a commitment to care for the animals of the area, and a realization based on their experience that this area can be opened safely if they are given the opportunity, and that is all they ask.

So I would encourage my colleagues, do not sell American technology, ingenuity, or the people of the area short as we consider opening up the Arctic oil reserves in ANWR. We can do it safely. And it is in the national interest, as well as the interest of the Eskimo people, all the Native people of Alaska, and my State of Alaska as well.

THE PESO CONTINUES TO SLIDE

Mr. MURKOWSKI. Mr. President, I also want to add and take a brief mo-

ment to make a statement in regard to the peso, which continues to slide rather dramatically today. I would like to bring to the attention of this body that the economic crisis continues in Mexico. As we recalled yesterday, the Mexican peso fell to a record low against the dollar—7.8 pesos to the dollar. That peso evaluation is even lower than last January and February when the administration told us that the Mexican economy was in crisis and the American taxpayer had to bail out Mexico. There was a good deal of debate in this body at that time.

One of the reasons that Mexico's economy is in such deep trouble is the Government's PACTO with labor, agriculture, and business leaders. The Bank of Mexico announced some 2 weeks ago it will raise its minimum wages 10 percent by December and another 10 percent in April 1996. It will raise the price of gasoline, diesel fuel, electricity by 7 percent in December and another 6 percent next April. And there will be increases of 1.2 percent in all other months.

Think about that. These price increases follow the 35-percent oil price increase and 20 percent electricity price increase set last March. Investors Business Daily called the PACTO "centralized economic planning at its worst—more reminiscent of Soviet style 5 year plans than of the free market." Still, Treasury Secretary Rubin said that "structural reform continues to improve the long-term prospects for the—Mexican—economy, attracting both domestic and foreign investment."

Well, I suggest, Mr. President, that the Secretary of the Treasury has it all wrong. The Mexican economy is in a free-fall. Just this Thursday interest rates on 28-day Treasury bills soared to 54 percent. Inflation is currently running at 40 percent.

Mr. President, this administration earlier this year told the Congress that by the second half of 1995 Mexico's economy would stabilize, it would stabilize only if we bailed out the speculators with American taxpayer dollars. The only thing that has happened is that the speculators in tesobonos have all been paid off 100 cents on the dollar, courtesy of the United States taxpayer, and the Mexican economy today is in shambles.

The \$20 billion bailout and the economic conditions we forced on Mexico have produced, in the opinion of this Senator from Alaska, an economic disaster. I doubt that we will see Mexico pay back the American taxpayer. I fear that the economic austerity that we have forced on Mexico will lead to a political disaster south of the border.

I hope that prediction is not true. But I think it is time to go back and reassess—reassess, Mr. President—what we did earlier this year in bailing out those investors in tesobonos, most