

now on amendment No. 3050 offered by the minority leader, Mr. DASCHLE. On this question, the yeas and nays have been ordered.

Mr. DOLE. I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I think most of our colleagues are here and have been notified, if we might have consent that this be a 10-minute vote, and then, following that, there will be a rollcall vote on final passage of 10 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from Kansas to lay on the table the amendment of the Senator from South Dakota. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 566 Leg.]

YEAS—52

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kerry	Thurmond
Dole	Kyl	Warner
Domenici	Lott	
Faircloth	Mack	

NAYS—44

Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Breaux	Heflin	Nunn
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Byrd	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerry	Rockefeller
Dodd	Kohl	Sarbanes
Dorgan	Lautenberg	Simon
Exon	Leahy	Specter
Feingold	Levin	Wellstone
Feinstein	Lieberman	

NOT VOTING—3

Akaka	Bradley	Lugar
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So, the motion to lay on the table the amendment (No. 3050) was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The majority leader is recognized.

Mr. DOLE. I would ask that we have 1 minute before the next vote so the chairman of the committee, the Senator from Oregon, may offer a technical amendment which has been agreed to.

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

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

AMENDMENT NO. 3051

Mr. HATFIELD. Mr. President, I have two technical amendments that have to be offered, and they have been cleared on the other side of the aisle by Senator BYRD. They relate to a technical amendment for the U.S. Information Agency and in relation to the DC amendment. So I send these to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows.

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 3051.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

In Sec. 101. (a) after Educational Exchange Act of 1948, insert: "section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236)."

On page 10 at line 19, after the period insert the following: "Included in the apportionment for the Federal Payment to the District of Columbia shall be an additional \$15,000,000 above the amount otherwise made available by this joint resolution, for purposes of certain capital construction loan repayments pursuant to Public Law 85-451, as amended."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

So the amendment (No. 3051) was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 115) was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. DOLE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA] is necessarily absent.

I also announce that the Senator from New Jersey [Mr. BRADLEY] is absent because of illness in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 50, nays 46, as follows:

[Rollcall Vote No. 567 Leg.]

YEAS—50

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Coverdell	Inhofe	Specter
Craig	Jeffords	Stevens
D'Amato	Kassebaum	Thomas
DeWine	Kempthorne	Thompson
Dole	Kyl	Thurmond
Domenici	Lott	Warner
Faircloth	Mack	

NAYS—46

Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Breaux	Heflin	Nunn
Bryan	Hollings	Pell
Bumpers	Inouye	Pryor
Byrd	Johnston	Reid
Cohen	Kennedy	Robb
Conrad	Kerry	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Simon
Exon	Leahy	Snowe
Feingold	Levin	Wellstone
Feinstein	Lieberman	

NOT VOTING—3

Akaka	Bradley	Lugar
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So the joint resolution (H.J. Res. 115), as amended, was passed.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. 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. 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.

Mr. DOLE. Mr. President, has H.R. 2586 arrived?

The PRESIDING OFFICER. It has.

DEBT LIMIT EXTENSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 2586, the debt limit; that there be two amendments in order, the

first to strike the Department of Commerce elimination, to be offered by the Senator from Michigan [Mr. ABRAHAM], and the second, a clean debt limit to be offered by Senator MOYNIHAN, or his designee, and that following the disposition of those amendments, the bill be advanced to third reading and final passage, to occur all without any further action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object, and I do not intend to object, I wonder if the majority leader would have any interest in entering into a time agreement to give our colleagues some indication of what the schedule might hold. I know there is very little disagreement on the first amendment. And while there may be disagreement on the second amendment, it is not our intention to debate it for a great deal of time. So we might be able to enter into a time agreement on that one and stack the three votes to accommodate Senators tonight.

Mr. DOLE. On the first amendment to strike the Department of Commerce elimination, I will just ask that there be a motion to strike and a voice vote, without debate. That will not take any time. I do not think the second will take long. I have talked to the Senators from New York and Delaware.

Mr. DASCHLE. I suggest 20 minutes, 10 minutes per side.

Mr. DOLE. On the Moynihan amendment?

Mr. DASCHLE. Yes.

Mr. HOLLINGS. Reserving the right to object, Mr. President, I have seen a lot of remarkable things occur, and when they occur in our favor, I do not want to object. But the distinguished Senator from Michigan is the one that wants to get rid of this Department.

Mr. DOLE. He still does, but not tonight.

Mr. HOLLINGS. That is why, if he is going to make a motion, I want to make sure we are not playing games.

Mr. DOLE. It is coming out.

Mr. HOLLINGS. I will join him in the motion to strike then. We have unlimited time right now, is that correct?

Mr. DOLE. We hope that if we proceed on this basis, it will be a very quick disposal of that provision in this particular bill.

Mr. HOLLINGS. You are going to voice vote it?

Mr. DOLE. Yes.

Mr. HOLLINGS. That would suit this Senator, if we can have 5 minutes.

Mr. DOLE. On a side?

Mr. HOLLINGS. Well, at least for me.

Mr. DASCHLE. How about 20 minutes on a side for both amendments.

Mr. DOLE. Twenty minutes equally divided on each amendment.

Mr. COHEN. Reserving the right to object, Mr. President. As I understand it, then, after the one motion to strike the Commerce Department provision, which will take very little time, there will be one other motion to strike everything else, so that those of us—at

least myself—would not have an opportunity to express my support for including a balanced budget within a 7-year timeframe and a prohibition against delving into any Social Security and pension funds, and limited to that, I would have to accept the other provision added by the House. In other words, it is either all or nothing after we delete the Commerce Department provision.

Mr. DOLE. Then it goes back to the House, and there will probably be some negotiations. Some would say there would be progress. I hope the Senator from Maine can support progress.

Mr. DASCHLE. I am told that we have a request for an additional 10 minutes on our side on the Commerce Department, so that would require 20 minutes on our side on Commerce.

We would be satisfied with 10 minutes on the second amendment.

Mr. DOLE. So there would be 10 minutes additional time for Senator BYRD on the Commerce Department?

Mr. DASCHLE. That is right.

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

Mr. DASCHLE. Mr. President, is it then in order that we would have three votes stacked—two amendments and final passage?

Mr. DOLE. Part of the agreement is we dispose of the first amendment by voice vote. The other two would be rollcalls.

The PRESIDING OFFICER. That would be 50 minutes on the agreement. The yeas and nays have not yet been ordered.

Mr. DOLE. I ask for the yeas and nays on the Moynihan amendment and on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. I ask unanimous consent that the first vote at 8:50 be a regular 15-minute vote; final passage will be a 10-minute vote.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2586) to provide for a temporary increase in the public debt limit, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

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

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

AMENDMENT NO. 3052

(Purpose: To preserve the Department of Commerce)

Mr. ABRAHAM. Madam President, I send to the desk an amendment to strike title II of the bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. ABRAHAM] proposes an amendment numbered 3052.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike title II.

Mr. ABRAHAM. Madam President, the section of the bill which I am moving to strike is quite an important section and quite an important policy issue to me and to a number of Members of this body. It pertains to the Department of Commerce. It pertains to efforts a number of us have launched this year in separate legislation to basically eliminate the umbrella we call Department of Commerce and reassign a number of the programs and functions of that Department to other areas of Government, but dramatically reduce the overhead and the bureaucracy by eliminating the umbrella called the Department of Commerce.

Obviously, I am a strong advocate of this legislation in that I am the chief sponsor of the freestanding bill which was introduced earlier this year. I support very much the effort to dismantle the Department and reassign its relevant functions.

It had been my hope—and it remains my hope—to find the right time and the right vehicle to pursue this objective. Indeed, in the Senate Governmental Affairs Committee, the bill, which was initially my bill, has gone through hearings, and it has been marked up and reported out of committee with favorable report to the full Senate.

It is my hope that at another time—hopefully very soon—we will have the opportunity to look either at the package that came out of the Governmental Affairs Committee as a freestanding bill or some combination of that package and the one that was included in the bill that I am seeking to strike tonight.

Madam President, the simple fact is that this is not the right time and this is not the right vehicle for us to consider this important question of the Department of Commerce. There are many compelling arguments, some of which I will make during our brief time tonight to discuss this issue. But I think the purpose of giving concentration of focus of the Senate on this very vitally important issue tonight is not the right time. For that reason, I send this motion to the desk.

I yield the floor. I retain the remainder of our time.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, there is a saying that a man's opinion is still a man's opinion. I wonder. My

colleague from Michigan has a motion to strike title II, which I agree with. But in all candor, I believe his sincerity and that it is still his intent that we abolish or repeal the Department of Commerce. I, though, want to see that title II is stricken from this bill and any other measure.

I have never seen legislation and Congress itself reach such a ludicrous position of trying to rid itself of one of the most formative departments. I never say that lightly. Under article I, section 8, the first designated duty to the National Congress is to collect taxes, the second one is to borrow money, and the third one is to regulate commerce.

You will not find the Department of Agriculture, you will not find the Department of Energy, you will not find Housing in these measures in the National Government's Constitution. You find commerce.

Here, right in the midst of what you might call the economic war, we want to dismantle the front line entity that is really waging the battle to rebuild the economic strength of the United States of America, and Secretary Ronald Brown is doing an outstanding job. To dismantle or strike or eliminate this particular Department at this hour would be like in the middle of the Cold War getting rid of the Pentagon.

Madam President, you just could not understand the history of the United States if you did not go back into the original debates with respect to the Declaration and the Constitution itself and the exchange taking place soon after between the Founding Fathers and the former mother country, and especially with what corresponded at that particular time with Secretary Alexander Hamilton. The British said, now that you have become a little fledgling nation, you trade with us what you produce best and we trade back with you what we produce best. That nonsense that you continually hear to this day—"free trade, free trade."

Alexander Hamilton wrote his views on that suggestion in a booklet called Report on Manufactures. It is over in the Library of Congress. And without reading that, I only say that it can be summed up in two words: "Bug off."

Hamilton told the British that we are not going to sit and remain your colony, shipping back our natural resources, our grain, our iron, our food-stuffs, and bringing in the manufactured products. It carries me immediately to Akio Morito, the founder of Sony, some years ago before his death, in Chicago where he was lecturing about emerging nations. He said emerging nations must build up a strong manufacturing sector, and that power that loses its manufacturing power ceases to be a world power.

That is the position we are in at this particular moment. At this particular moment, we have come from having at the end of World War II 50 percent of our work force in manufacturing down

to, 10 years ago, 26 percent, and now today at 13 percent. We are going out of business.

The thrust of eliminating the Department of Commerce is nothing more than the thrust that America go the way of England—specifically, a delightful Parliament, debating each other with scandal sheets and everything else to read but losing, generally speaking, its influence.

And we do. If we lose our economic power, we lose our international foreign policy power, if you please. No one cares today any longer about the 7th Fleet or the threat of a nuclear attack. Money talks in the global competition and in global politics.

Madam President, I rise in strong opposition to these proposals to dismantle the Department of Commerce [DOC].

To begin with, I strongly object to the process being used. A major piece of authorizing legislation does not belong on the debt limit bill. Moreover, the version before us now has been available to Senators only since this morning. The House Republican leadership rewrote the bill and only published it last night—38 densely-packed pages of the RECORD that no one here has had time to review. Finally, no version of the DOC dismantling legislation has ever been presented to the Senate for full and regular debate. In short, adding this dismantling proposal to the debt limit bill is the worst possible way to consider major legislation.

Second, I strongly disagree with the substance of this proposal. It is astounding that in the middle of the global economic fight some of our colleagues propose to abolish the Federal agency that promotes exports, enforces our trade laws, works with industry to create new job-creating breakthrough technologies, and otherwise does so much to promote economic growth. I know that many of our Republican colleagues do not like the current Secretary of Commerce, since he helped the President win the White House in 1992. And I know that some Republicans want a trophy, and have therefore gone after the Cabinet department with the smallest budget.

But to abolish the Commerce Department in the middle of the economic fight is like abolishing the Pentagon at the height of the cold war. This is the last department we should abolish in this post-cold war world. The proposal is utter nonsense, and it is nonsense that will hurt every American company and worker.

The bottom line is that in today's global economy almost every American job is at risk. Nearly every company, and nearly every worker, faces growing foreign competition. Millions of jobs depend on exports, and millions in the future will depend on whether the United States stays at the cutting edge of new technologies. These are bread-and-butter issues to American families, and we need to strengthen—not weaken—American exports and competitiveness.

According to the November 6, 1995, issue of Business Week, a new report compiled by the U.S. intelligence community for the Trade Policy Coordinating Committee, chronicles the bare knuckles brand of capitalism employed by our competitors. Here are some examples:

The French Government warned an African government that it would withdraw government guarantees on outstanding loans if Acatel did not win a \$20 million telecommunications switching equipment contract.

A Japanese company won a \$30 million supercomputer order from Brazil after the Bank of Japan said it would credit the purchase against Brazilian debt to Tokyo.

Officials at Airbus Industries threatened to block Turkey and Malta from entry into the European Union unless they purchase Airbus jets rather than jets from Boeing or McDonnell-Douglas.

In the face of this brutal competition, some of our colleagues in the House want U.S. business to walk down this dark alley unarmed and unaided.

We need a Cabinet department, and a Cabinet Secretary, whose job is to fight for exports, fight to keep America's lead in technology, and provide important support services to business. The proposal before us, however, is a giant step backwards.

We also should note that this proposal does not reduce bureaucracy. It creates bureaucracy. House and Senate Republicans have discovered that many of DOC's functions are important after all, so while they abolish the Department they create several new independent agencies. Of course, each new agency has to have its own budget office, personnel office, congressional relations office, and inspector general. The result is more bureaucracy. It would be much cheaper and more effective to keep these functions where they are, in the Commerce Department.

Finally, major government reorganizations should not be done piecemeal. This House-passed proposal is ad hoc box-shuffling, with no great attention to either today's national priorities or the functions of other departments and agencies. Just blowing up one department without attention to all the others is a poor and backward way to reorganize our Federal Government.

SOME BACKGROUND

Madam President, before we consider abolishing the department that does the most to promote American jobs and profits, we should remind ourselves of some important history.

For 45 years we were engaged in a life and death struggle against the forces of totalitarianism. Through steadfast commitment and sacrifice we emerged triumphant. During the cold war we willingly subordinated our economic interests to sustain the western alliance. Now, in the post cold war era we must channel the same energy and

commitment into rebuilding our economic strength. With the fall of the Berlin Wall and the collapse of Communism, this nation has entered into a new era of competition, one in which the exercise of power and influence will be determined by economic strength.

Madam President, our strength as a Nation is analogous to a three legged stool. One leg is our military strength, which remains preeminent. One leg is our values as a Nation. From feeding the hungry in Somalia to supporting democracy in Haiti, our values as a nation remain strong. When we look at our economic strength, however, that leg is fractured. A recent OECD report discovered that the United States has the worst income distribution in the industrialized world. Three-quarters of our citizens in the age group of 18 to 25 cannot find a job that pays more than the official poverty level. We have one of the lowest savings rates in the industrialized world. In private sector capital spending, the United States lags behind our competitors.

We have fallen behind in key technologies including flat panel displays, laser diodes, and ceramic packages for the semiconductor industry. We have a \$9.9 billion trade deficit in computers and peripherals and \$3.7 deficit in telecommunications equipment. Over the last decade we have posted nearly \$1.4 trillion worth of trade deficits. The reason for this is clear. For too long we have been held back by slavish adherence to an outmoded 19th Century view of capitalism. This view was appropriate for David Ricardo's British Empire but has no place in an era of "high tech" competition where government provides the comparative advantage for industry. This "hands off" notion of economic development flies in the face of our own history. From Alexander Hamilton's Report on Manufactures, to Henry Clay's "American System" of manufacturing, to Lincoln's development of the American rail system, to NASA's technological breakthroughs, the government has played a crucial role working with industry to stimulate economic development.

While some in Congress foolishly propose dismantling DOC, our economic competition around the world does not share our shortsighted desire to tear down government. The dynamic economies in Asia have evolved into economic powerhouses by developing close links between business and government with one goal in mind, to become export super powers. The invisible hand of the market did not develop Korea's world class semiconductor industry. Instead, the iron fist of decrees laid down by Korea's Ministry of Trade kept out foreign competition unless they licensed their technology to Korean companies. That iron fist was complemented by the largesse of Korea's Treasury which provided subsidies in the form of below market loans and closed the markets to United States computer chips while Korean manufacturers dumped chips into the United

States market below the cost of production.

Europe is nurturing the information technology industry courtesy of billions in subsidies from the European Community for massive research projects like JESSI, ESPRIT, and EU-REKA. The law of comparative advantage no longer applies in America's top export industry where Airbus captured 30 percent of the market by flaunting international trade rules, and China forced Boeing to build planes in the Guan Zhao province rather than Seattle, Washington.

This is the competition we face. In today's new world economy, it makes absolutely no sense to eliminate the one cabinet department that looks out for the business community and for one of our Nation's most important functions—interstate and foreign commerce. We need to strengthen the Department of Commerce, not blow it up into ineffective fragments. Strong U.S. Government backing for U.S. companies and workers in trade, technology, and other areas is vital if the United States and our constituents are to prosper. The facts show that the Department of Commerce is working, fighting for American business. Today, in fact, DOC is more successful at promoting exports and other activities than we have seen in decades. Its various units support and benefit each other, making the Department's total much more than the sum of its parts. It would be a grave mistake to break up this winning team of business and Government working together. If we retreat now, we will lose exports, we will lose much of our technological edge, and we most assuredly will lose jobs.

Article I, section 8, of the Constitution says that Congress shall have the power to regulate commerce with foreign nations, and among the several States. Our Founding Fathers knew the importance of a Federal role in support of commerce. In the first days of our Republic, Alexander Hamilton wrote his famous Report on Manufactures and called for Government policies to assist U.S. industry. Theodore Roosevelt created the Commerce Department, and in the 1920's, Secretary of Commerce Herbert Hoover turned the Department into an export powerhouse.

COMMERCE DEPARTMENT SUCCESSES

Today, the Commerce Department provides the needed tools for helping Americans to succeed in the new global, high-technology world. Consider a few of its successes:

The Department's export promotion efforts have been a huge success, helping American companies over the past 2 years to sell over \$24 billion in American goods and services, and creating or saving over 300,000 jobs. Its export control program will allow billions more in export sales while successfully preventing the sale of sensitive technologies to unfriendly governments. Yet the House-passed dismantling bill would downgrade these export efforts,

eliminating the Cabinet officer responsible for export promotion and burying these functions under an official whose main responsibility is trade negotiations, not exports.

In technology, the central economic battleground of the future, DOC supports industry's own efforts. DOC-supported manufacturing extension centers, begun under the Reagan Administration, have helped over 15,000 small firms to improve their operations and profits, leading the firms themselves to calculate that each \$1 of DOC investment leads to \$8 in company revenues or savings. The House-passed DOC dismantling legislation abolishes the centers program.

The Advanced Technology Program, started under the Bush administration and still new, is already helping dozens of companies, most of them small businesses, to develop new breakthrough technologies that the private capital markets will not finance because they are not guaranteed to make short-term profits. New developments will reduce the costs of computer chips, lead to cheap compact color TV displays, and create machines that can safely hold human bone marrow cells outside the body and use that bone marrow to create new blood cells. The House-passed bill would terminate the ATP.

The National Institute of Standards and Technology (NIST) laboratories have existed since Theodore Roosevelt established them in 1901. They help the FBI and the Nation's law enforcement crime labs ensure accuracy in drug analyses and DNA fingerprinting. They help industry with a wide range of new measurement techniques which help many companies improve precision and quality and cut costs. Yet the House-passed language would reduce the NIST labs to first 75 percent, and then 65 percent, of their fiscal year 1995 funding.

The National Oceanic and Atmospheric Administration [NOAA] is steadily improving the warning time and accuracy of weather and climate forecasts, with economic and safety benefits ranging from improved flood forecasts to safer airline flights.

NOAA also assists the Nation's \$50-billion-a-year commercial fishing industry and \$70 billion-a-year marine recreational fishing industry by monitoring fishery harvests and collecting management information. Yet the House DOC dismantling language would reduce NOAA's budget drastically—first to 75 percent of its fiscal year 1995 appropriation, and then to 65 percent the second year after enactment and in all subsequent years. These draconian reductions will affect weather and fisheries services throughout the country.

The Economic Development Administration is one of the few Federal programs that give rural areas a chance to share in economic growth.

The Bureau of Economic Analysis is now substantially improving economic and trade statistics, to give both business and government a more accurate

picture of where America stands in the new world economy.

A DEPARTMENT THAT IS WORKING

Madam President, contrary to what some may believe, these various parts of the Department work closely together and reinforce each other. NIST, for example, works with the International Trade Administration [ITA] and U.S. industry to monitor new product standards in other countries. They identify when foreign product standards are used not to protect local safety but as nontariff barriers against American products. Similarly, the Patent and Trademark Office advises ITA when foreign governments appear to use their patent policies in ways which hurt U.S. technology companies.

There are other examples. NIST and ITA's United States and Foreign Commercial Service are working closely with several friendly countries, including Saudi Arabia, to ensure that their new product standards are compatible with American goods and services.

NIST and NOAA, in turn, are developing new measurement techniques for helping the fishing industry to locate fish stocks. The Census Bureau regularly provides important information on the state of U.S. manufacturing to companies and the trade and technology units of the Department.

The National Telecommunications and Information Administration [NTIA] performs a critical role in forcing government users to become more efficient in their use of spectrum radio frequency and overseeing the governmental uses of the spectrum. NTIA has played a critical role in identifying frequency bands for reallocation to the private sector, which ultimately led to auctions that brought in over \$9 billion to the U.S. Treasury.

In this era of economic competition, the Commerce Department is the arsenal of business. It is the Commerce Department through the ITA that rings up sales for U.S. business—from Boeing and McDonnell Douglas airplanes in Saudi Arabia to Raytheon radars in Brazil. It is the Commerce Department that enforces the trade laws that enabled the steel and semiconductor industries to beat back predatory trade practices.

In the critical technologies that are the battleground of the 21st Century, it is the Commerce Department that is leading the way in developing and commercializing new and emerging technologies. While the Commerce Department is at the cutting edge of technological development, its Export Administration is walking the fine line between promoting U.S. exports and keeping our critical technology out of the hands of terrorists. Finally, it is the Commerce Department's economic directives that provide the date which drive America's financial markets.

This Department is not only working. Its units are working effectively together and with American business to save and create jobs.

A PIECEMEAL APPROACH

Madam President, finally we should oppose this proposal not only because it does not belong on the debt limit extension and because it is substantively wrongheaded. We should also oppose it because it is a piecemeal approach to government reorganization, a proposal written without apparent attention to the rest of the government's operations.

In the 1950's, I had the privilege sitting on one of President Hoover's commissions on government reorganization. Believe me, there is a right way—a comprehensive, thoughtful way—to consider government reorganization. And the proposal before us is not the result of a comprehensive, thoughtful process. It is far too piecemeal.

INDUSTRY VIEWS

Madam President, these objections to the House language are not just my views or the those of other Senators. They also are the views of a very large portion of the American business community. For example, I have letters from the National Association of Manufacturers, the Chamber of Commerce, and a major ad hoc industry coalition consisting of over 60 major corporations and trade associations. Let me quote from the NAM letter:

We feel equally strongly that the goal of such a reduction [in the size of government] should be a government that can deal effectively with the demands of the 21st century global economy. We agree with Peter Drucker's observation that the government should be giving "primacy to the country's competitive position in an increasingly competitive world economy."

The Congress will not be able to meet this challenge if it tries to do so in a piecemeal fashion, taking on one agency or program at a time with the hope that everything will fit together in the end.

I ask unanimous consent that at the conclusion of these remarks these three letters be printed in the RECORD, as well as a copy of the Business Week article I cited earlier.

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

(See exhibit 1.)

WHAT ARE OUR PRIORITIES?

Mr. HOLLINGS. Madam President, the choice before the Senate is actually very simple and stark. It is a matter of priorities. Either we back our companies and workers, or we do not. Either the United States gets into the global economic fight, or we do not.

DOC supporters believe that our Government, like every other major government in the world, should take prudent steps to support its industries and workers—to help win at exports, technology, and other areas. This Department is fighting every day for American business, and it is succeeding. We should not break up the cooperative effort of business and government that has developed in recent years.

Opponents of the Commerce Department would leave American business out there with no backing, no assistance, and fewer economic prospects. It makes one wonder whether or not ex-

port jobs and high-tech jobs are a priority with these opponents.

In the final analysis, does anyone really believe that the American people want the Government to do less to promote American exports and export-related jobs? Does anyone really think that the American people want less effort to enforce our laws against unfair trade practices? Does anyone really believe that the American people want none of the Government's \$72 billion annual research budget used to help create new breakthrough technologies that will create the industries and jobs of the future? Does anyone really believe that the American people want to call a halt to modernizing our weather stations, or completing economic development projects in hard-hit rural communities across the land? Of course not. It is time that we get past trophy-hunting and start thinking about the economic interests of our people.

I urge our colleagues to strip this provision from the debt limit legislation now before us, and I urge them, as well, to drop the entire idea of killing the Commerce Department.

We should want to win in the global economy, not quit the field. If Senators and Representatives feel they must kill a cabinet department, let them pick one whose elimination will not leave our companies and workers more vulnerable to economic competition. Let them not break faith with the millions of Americans who want Government to promote their economic interests in this harsh new world economy, not abandon them. As for myself, I will continue to oppose this foolish and destructive proposal.

EXHIBIT 1

NATIONAL ASSOCIATION OF MANUFACTURERS,

Washington, DC, November 8, 1995.

Hon. ROBERT J. DOLE,
U.S. Senate, 141 Senate Hart Office Building,
Washington, DC.

DEAR BOB: The effort to bring the federal budget into balance by reducing the size of government is one that the NAM strongly supports. We feel equally strongly that the goal of such a reduction should be a government that can deal effectively with the demands of the 21st century global economy. We agree with Peter Drucker's observation that the government should be giving "primacy to the country's competitive position in an increasingly competitive world economy."

The Congress will not be able to meet this challenge if it tries to do so in a piecemeal fashion, taking on one agency or program at a time with the hope that everything will fit together in the end. A coalition of companies and associations sent the entire Congress a letter on November 7 making this same point. The NAM is in broad agreement with the views expressed in this letter. A piecemeal approach to restructuring will yield fewer satisfactory results—and less budget savings—than a comprehensive approach that maps out where we're going from the start.

This is why the NAM supports the establishment of a bipartisan commission to recommend how to restructure the government, particularly in those areas dealing with our international economic interests and responsibilities. The key to the success of such a

commission is to make sure that something happens once its work is finished. There must be event-forcing mechanisms to ensure that its recommendations are acted upon. Accordingly, the NAM believes that the Congress should explore ways to provide a government reform commission with powers similar to those provided to commissions dealing with the closing of military bases.

Combined with the significant steps already taken in 1995 to reduce departmental and agency budgets, the establishment of such a commission would underline the continuing commitment of this Congress to downsize the government and increase its effectiveness. The efforts to accomplish this goal come at a time when the global economy and our role in it are increasing. In restructuring the federal government, we need a long-term plan to be implemented over the next several years that reconciles these complex and conflicting trends. The NAM believes that a bipartisan commission could develop such a plan and that this could be done in such a fashion to ensure that the work of the commission is acted upon and not just buried. We urge you to support this recommendation.

Sincerely,

JERRY J. JASSNOWSKI.

AD HOC INDUSTRY COALITION,

November 7, 1995.

Hon. ROBERT J. DOLE,
Senate Hart Office Building, U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: We would like to convey our strong support for a thorough and comprehensive review of the federal government's organization and functions. We consider this an essential step in the development of a successful strategy to reduce the federal budget deficit and increase the overall effectiveness of government.

We are greatly concerned, however, by present congressional efforts to effect budgetary savings through the dismantlement of a single department. Our concerns about this approach rest primarily on two factors. First, adverse competitive effects are likely to arise from the splintering and/or elimination of several important functions presently performed by the Commerce Department. Second, such a piecemeal approach to restructuring will likely encounter more serious hurdles—and ultimately yield less cost savings—than a more comprehensive approach to such an important task.

We are not writing to defend the status quo. The many changes that have occurred in the international economy in recent years justify a review of the structure and functions of the federal government to ensure that the United States is well-prepared to compete in the 21st century. There are undoubtedly various activities now performed by the U.S. government that require streamlining, consolidation and, in some instances, elimination. At the same time, there may be other functions in which increased activity may be justified.

These matters have an impact on the ability of the United States to create jobs, sustain its economic growth, and participate effectively in the international marketplace. It is, therefore, vital that any moves to restructure or reorganize the federal government be undertaken only after a thorough and careful analysis of all of the functions performed by government. A hastily crafted or piecemeal approach to such an important task is bound to yield a sub-optimal result and could even have unintended adverse effects.

Questions regarding the role of the federal government in sustaining our nation's economic growth and international competitiveness demand a comprehensive review

through a process that is open to all who have a stake in the outcome, and such matters involve more than a single department's functions. Accordingly, we urge you to refrain from moving forward in the present manner and to work instead toward the establishment of a non-partisan commission whose task would be to develop within a specified timeframe recommendations on how to restructure the Federal Government overall to best support the Nation's competitive and strategic needs in the coming decades.

Together with present steps to trim existing agencies' budgets, such a review process would clearly reflect a seriousness of intent to tackle Federal Government spending while also ensuring that all who have a stake in the outcome have the opportunity to be heard in the course of a thoughtful and rational debate.

We stand ready to work with you toward this end. We believe there is much to be gained from such an approach. In the meantime, we appreciate your consideration of our views and would welcome the opportunity to discuss this with you further in the coming days.

Sincerely,

ABB Inc., Aerospace Industries Association, Aetna Life and Casualty Company, AlliedSignal Inc., American Iron and Steel Institute, American Textile Manufacturers Institute, ARCO, Armstrong World Industries, Inc., AT&T, Bedell Associates, Bethlehem Steel Corporation, The Boeing Company, Burlington Industries, Inc., Computer & Communication Industry Association, Corning, Incorporated, Cray Research, Inc., Dresser Industries, Inc., Economic Strategies Institute, Enron Corp., ENSERCH Corporation, FED Corporation.

Floral Trade Council, Florida Partnership of the Americas, Fluor Corporation, Footwear Industries of America, General Electric Company, Guilford Mills, Inc./Guilford International, Honeywell, Inc., Hughes Electronics Corporation, IBM Corporation, Institute of Electrical & Electronics Engineers—United States Activities, Institute for Interconnection and Packaging Electronics, International Business-Government Counselors, Inc., Litton Industries, Inc., Loral Corporation, LTV Steel Company, McDermott Incorporated, Mission Energy Company, Motorola, Inc., Nelson Communications Group.

NPES The Association for Suppliers of Printing and Publishing Technologies, Occidental Petroleum Corporation, Oracle Corporation, Pro Trade Group, Raytheon Company, Rockwell International Corp., Samsonite Corporation, Semiconductor Equipment and Materials Institute, Small Business Exporters Association, Software Publishers Association, Springs Industries, Stone & Webster Engineering Co., Stratus Computer Inc., Summa Four, Inc., Tandem Computers Inc., Tenneco Inc., Tectron Inc., The Timken Company, Torrington Company, United Technologies Corporation, U.S.-Mexico Chamber of Commerce, USX Corporation, Varian Associates, Inc., Western Atlas, Inc., Westinghouse Electric Co.

STATEMENT OF U.S. CHAMBER OF COMMERCE
ON INTERNATIONAL COMMERCE AND TRADE
REORGANIZATION

The U.S. Chamber reaffirms that enactment of legislation to achieve a balanced federal budget by 2002 is among the most important tasks facing the 104th Congress. All actions to restructure or reorganize U.S. agencies and programs, including those relating to U.S. competitiveness in international commerce and trade, must be taken in a manner that is consistent with the U.S. Chamber's balanced-budget objective.

The U.S. government should approach the task of restructuring the international commerce and trade sector by considering what its objectives are before determining how best to proceed. Any reorganization of such government functions should only be initiated after a careful and thorough analysis that includes consideration of inputs from involved officials and potentially affected private parties.

The U.S. Chamber believes that the U.S. government should avoid a piecemeal approach to restructuring and should consider instead the full range of issues relating to any reorganization. Such a comprehensive approach will facilitate achievement of greater streamlining and reduction in overhead costs through the consolidation or elimination of duplicative functions than would occur under an approach that addresses selected portions of U.S. government activity affecting international commerce and trade.

To this end, Chamber supports the bipartisan establishment of a process to (1) examine comprehensively the matter of restructuring and reorganizing all of the international commerce and trade functions of the U.S. government, and (2) within a specific time frame, make recommendations on how to proceed in a manner that ensures the enhanced effectiveness of U.S. government functions critical to U.S. competitiveness in the international marketplace while contributing to the achievement of U.S. budget-balancing objectives.

To determine what, if any, consolidation, streamlining and/or elimination of programs/functions is appropriate, this process should adhere to the following objectives:

Approach this task with no preconceived notion about the outcome, but rather, should weigh all available information in making its recommendations.

Maintain a strong voice for U.S. commercial interests at all levels within the U.S. government alongside those of labor, human services, foreign policy, national security and other critical elements of our society and government. The U.S. government cannot afford to relegate commercial interests to secondary status.

Recognize and give high visibility to both the role of advocacy of U.S. commercial interests within the U.S. government and abroad and the coordination/balancing of U.S. policy among the several affected U.S. government agencies within and without the international commerce and trade sector.

Require a cost-benefit analysis and justification of all U.S. government international commerce and trade functions. This should include an analysis of whether the programs/functions can be made available by the private sector.

Avoid consolidation of programs into government entities whose missions are not dedicated primarily to the advancement of U.S. commercial interests at home and abroad.

Harmonize Congressional oversight to correspond to the international trade and competitiveness-related functions.

Maintain a strong relationship among all entities engaged in international trade and competitiveness-related functions and strengthen private-sector consultative mechanisms.

Maintain and improve the independent credit management integrity of all financial service functions within the U.S. international commerce and trade sector.

Recognize the importance of the strong enforcement and implementation of trade agreements and laws.

Background.—The U.S. Chamber, since 1983, has advocated a focused, cost-effective, coherent U.S. government international trade policy and infrastructure. Such a policy and

infrastructure does not now exist. U.S. government international commerce and trade functions are presently administered and/or supported by more than fourteen agencies driven by often conflicting policy objectives and, while costing more than \$3.5 billion per year, without a singularly focused budget discipline.

The national interest requires the attainment of a "level playing field" for the commercial interests of the U.S. in global markets. That interest can best be served while addressing the national interest of balancing the federal budget if the President and the senior advisors and officials of that office are supported by a cost effective, focused infrastructure. Such an infrastructure must put the U.S. government in a position to:

Negotiate and enforce trade agreements that require the reduction or elimination of unfair foreign trade barriers and distortions; Use access to the U.S. market as leverage to obtain access to foreign markets; and

Enforce U.S. trade laws to remedy the adverse effects of foreign dumping, subsidization and other unfair trade practices;

Provide appropriate export development services and advocacy to counter foreign government-supported competitors;

Limit the imposition of export and other trade controls to those absolutely necessary to achieve legitimate U.S. national security objectives.

The President and Congress, with the support of the private sector, should articulate an international trade policy and create a responsive supporting infrastructure that will.

Provide support services that are critical to a competitive U.S. commercial position internationally, but are not available from the private sector;

Subject federal export-oriented programs and/or activities to quantifiable cost-benefit evaluation featuring the U.S. employment consequences, the dollar-value of exported U.S. goods and services, and the "value-added" content of exported U.S. goods and services.

Maintain the capacity, where appropriate, to effectively match subsidization and other forms of assistance offered by our major trade competitors on a selective basis;

Provide assistance to capital projects in other countries that have enduring value to the host country and are distinguished by substantial U.S. company participation.

More specifically, a successful U.S. commerce and trade infrastructure should incorporate programs and activities that:

Recognize the importance of a strong voice for commercial interests in the development of U.S. policies. The commercial interests of the U.S. must not be relegated to secondary status. The nation cannot afford to reduce the effectiveness of U.S. international trade programs that are a linchpin of the competitiveness of U.S. industry.

Recognize the crucial role that only the U.S. government can play in providing in-country support to American exporters of goods and services. U.S. government support in the form of foreign market information-gathering and official advocacy in necessary if U.S. exporters are to enjoy a level playing field in competing for a share of these emerging growth markets.

Provide competitive financial services, e.g., financing and insurance that are not otherwise available but are required to help U.S. companies remain competitive and penetrate foreign markets. To maintain a broadly competitive position, the United States must preserve or expand the contribution of those federal agencies that help U.S. exporters compete and prosper.

Recognize that as part of the U.S. government's strategic plan to selectively match the subsidization assistance offered by our

major competitors, the U.S. government should be prepared to fund project-related feasibility studies and planning activities.

Recognize that the U.S. government must be prepared to take meaningful actions to provide American companies an opportunity to compete fairly in the global marketplace. Negotiation and enforcement of trade agreements to remove trade barriers and open markets, and enforcement of U.S. trade laws against dumping, subsidization, intellectual property violations and other unfair trade practices are necessary complements to a successful export promotion and job growth strategy.

Recognize that to the extent that there is a requirement for U.S. export controls, such controls should not deter the export of U.S. products when other nations are freely marketing competitive products.

A WORLD OF GREASED PALMS—INSIDE THE DIRTY WAR FOR GLOBAL BUSINESS

Intrigue fairly leaps off the pages of the classified U.S. government report. A German electronics giant pays bribes to win export sales. France demands 20% of Vietnam's telecommunications market in exchange for aid. A European aerospace company threatens to block European Union membership for Turkey and Malta unless their national airlines purchase its planes.

It's all part of a nasty, multibillion-dollar war being waged over global markets. A secret Commerce Dept. study, newly prepared with the help of U.S. intelligence agencies, catalogs scores of incidents of bribery, aid with strings attached, and other improper inducements by America's trading partners. In the case of strings-attached foreign aid, the deals may violate international trade pacts. And the cost of such practices to the U.S. economy appears enormous. In 1994 alone, U.S. intelligence tracked 100 deals worth a total of \$45 billion in which overseas outfits used bribes to undercut U.S. rivals, the study says. The result: Foreign companies won 80% of the deals.

SANCTIMONIOUS?

Among the main culprits are some of America's staunchest political allies: France, Germany, and Japan. The corporations involved aren't cited by name in the study, which has been in the works for months and key parts of which were reviewed by Business Week. But government sources identify premier European hightech companies—including Germany's Siemens, France's Alcatel Alsthom, and the European airframe consortium Airbus Industrie—as among the major practitioners. Foreign governments and companies, of course, gripe that the Clinton Administration has been doing lots of aggressive advocacy of its own to win deals for U.S. business. "Each time we win a deal, it's because of dirty tricks," says an Airbus official with bitter sarcasm. "Each time Boeing wins, it's because of a better product."

Indeed, many officials overseas view the U.S.'s holier-than-thou attitude about shady business practices as naive and hypocritical. As word of the report's contents gradually leaks (some 50 copies recently were distributed to Congress and key agencies), U.S. trading partners may be angered to learn how closely American spies are tracking their dealings. Indeed, the growing role of the CIA and its sister shops in commercial information-gathering already is controversial, with critics contending that the spies are inappropriately trying to justify \$28 billion budget in the post-cold-war era. But former CIA General Counsel Elizabeth J. Rindskopf says the CIA is simply responding to demands from other U.S. government agencies for information to help level the global playing field.

There's more to it than that. "As the importance of geopolitical struggle has declined, conflict has found a new home," says Edward N. Luttwak, senior fellow at the Center for Strategic & International Studies. "Commercially, the atmosphere has become envenomed." Economic trends tell the tale: The U.S. is more dependent than ever on exports to fuel its economic growth. Europe and Japan are saddled by slow growth.

Heightened global competition adds to the temptation to seek advantages through questionable tactics—particularly in key sectors such as aerospace, where demand is weak. "Companies and governments are more willing to resort to unconventional methods to make a sale because any sale is precious," says Joel Johnson, international vice-president for Aerospace Industries Assn. of America.

During the next decade, the pervasiveness of such practices spells trouble for U.S. companies girding to compete for an estimated \$1 trillion worth of overseas infrastructure projects. American business already is handicapped by the U.S.'s comparatively puny spending on export promotion. The Commerce report, which also reviews legitimate competitive practices such as trade missions and financial aid to exporters, reveals a stark gap. In 1994, for every \$1,000 of gross domestic product, France spent more than 17¢ on export-promotion programs; Japan, more than 12¢. In contrast, the U.S. spent 3¢.

Even so, Republican trade hawks on Capitol Hill want to slash funds for Commerce's trade programs. Commerce officials hope the competitive-practices report will help derail those moves. It's certainly a timely showcase for Commerce Secretary Ronald H. Brown to reemphasize his role as roving advocate for American business. "The findings are alarming," Brown told BUSINESS WEEK. "There is no question that we have been dramatically outgunned by our global competitors, and many of those competitors use, to be kind, unsavory practices."

WADS OF CASH

But to some European executives, the Clinton Administration doesn't shy away from questionable arm-twisting. An Airbus official calls President Clinton's 1993 phone call to King Fahd of Saudi Arabia to lobby for Boeing Co. and McDonnell Douglas Corp. a "blatant" disregard for the rules. "The power of the American government is far greater than any European government," the official says. Too bad, retorts one U.S. official: "If we're going to provide a security umbrella for a country, it's reasonable to expect our companies to get treated fairly."

Certainly, not all U.S. companies have clean hands. In October, a former vice-president at Lockheed Martin Corp. was sentenced to 18 months in prison and a \$125,000 fine for bribing a member of the Egyptian Parliament to win an order for three C-130 cargo planes. The case is surprising because Lockheed was at the center of a bribery scandal in Japan nearly 20 years ago and has signed a consent decree to refrain from such practices. That paved the way for the 1977 Foreign Corrupt Practices Act, which bars U.S. companies from paying bribes to win business.

Some U.S. companies find creative ways to skirt the law. To secure a mining venture in a developing nation, an American company recently flew officials from the country to the U.S., put them up in a fancy hotel for a week, and gave them a wad of cash for a shopping spree. A U.S. intelligence source says the trip is problematic: "What's the difference between giving an official shopping money and handing him an envelope of cash in his office?"

But U.S. and other trade experts have little doubt that overseas companies are more

likely to offer bribes because their cultures and legal systems permit it. In France, foreign payments to middlemen are considered legitimate business tax deductions. Germany has similar rules, though officials in Bonn say they might junk them if there were an international accord to outlaw bribery.

Even so, there's little U.S. support for easing antibribery laws. Instead, many American executives are urging the Administration to mount an aggressive campaign to get foreigners to play more by U.S. rules. For starters, open up to public scrutiny the contracting process for projects funded by multilateral development banks, says Calman J. Cohen, vice-president of the Emergency Committee for American Trade, a group of 60 chief executives of America's leading exporters.

U.S. officials vow to fight for reform. And foreign trading partners may find that a good idea. As long as everyone—including the U.S.—promises to play by the rules.

Mr. BOND. Mr. President, I join my colleagues in expressing opposition to including this provision to eliminate the Commerce Department on this measure.

Regardless of the position one takes on the issue of eliminating the Commerce Department, I do not believe it is proper for it to be included in the measure before us today.

Personally, I have strong concerns about one section of this proposal to eliminate Commerce—that is the section which reorganizes the trade functions.

I take a second seat to no one in my desire to cut government spending and eliminate the budget deficit. Removing this huge burden from the backs of our children and grandchildren should be our top priority.

I believe that one way to reduce the deficit is to eliminate and downsize agencies—and there are several agencies which I have suggested for elimination.

Certainly, the Commerce Department can stand some severe downsizing and reorganization. No one can argue that it is a well-thought-out, streamlined agency. That does not, however, mean we ought to do that trimming with a meat-axe.

Instead, we must do it carefully—in a way that ensures we do not destroy programs critical to our national or economic security. I am concerned that the proposal before us today will have just such an impact—that is, it will harm our economic security and it will cost jobs.

Exports are absolutely critical to our Nation's economic health and security, and they will become even more so in the global economy of the 21st century. If we are to maintain our place as the world's leading economy, we will have to increase our share of the world market. The competition will be tough and other companies will come to the field armed with a wide array of tools provided by their governments—from high-level sales assistance to concessional financing, and even in some cases, outright bribes.

American firms need at least a helping hand if they are to remain able to

compete in this rough atmosphere. Providing that edge is the job of our trade promotion and finance agencies, led by the International Trade Administration of the Commerce Department.

Generally, I would be the last one to argue that government ought to be playing a more active role in any aspect of business. As chairman of the Senate Small Business Committee, I hear daily from business owners who have suffered at the hands of government bureaucracy and overregulation. The fact is, however, that if smaller firms are to enter and be successful in the global marketplace, they will, in many cases, need the support and encouragement of the government. Companies entering the international marketplace are vying with foreign competitors who have the active assistance and involvement of a wide range of government agencies and officials. Without the support of agencies such as the U.S. & Foreign Commercial Service, the Export-Import Bank, OPIC, and TDA, American firms would often be left behind.

I would note, however, that it is not only small firms that need this assistance. Even huge companies cannot compete if their foreign competitors are getting special assistance from their home governments in terms of financing and marketing help.

In many parts of the world, customers are used to dealing with government officials and private firms need the added help of a senior official—such as the Secretary of Commerce—to win sales.

And it is important to remember that the support of government is critical in other areas, as well—ensuring a level playing field in trade with other countries, for example, as we saw earlier this year with the Japanese auto parts talks; and in the type of hands-on, high-level marketing we have seen by Commerce Secretary Ron Brown and President Clinton. Government can also play a role by ensuring that our laws and regulations do not impede exports. For example, in the International Finance Subcommittee which I chair, we are working on a rewrite of the Export Administration Act, a step which is badly needed to eliminate outdated and unnecessary controls and ensure that controls are doing the job they were intended to do—keeping critical technology out of the hands of our enemies, rather than keeping U.S. firms from being competitive.

Certainly, government cannot—and should not—do it all. But it is clear these agencies can provide the extra little bit needed to turn a near loss into a win.

Unfortunately, the debate in Washington this year has not focused on the importance of exports or the importance of ensuring that American firms remain competitive. Instead the debate has turned to the need to eliminate “corporate welfare,” and unfortunately—and I believe wrongly—these programs have been labeled corporate welfare.

Members can criticize these programs, but the fact is they are responsible for creating and saving thousands of good-paying American jobs that would otherwise go to Paris, Ottawa, London, or Osaka. I don't want to see that happen, and I am certain most other Senators do not either.

This is not just an abstract argument I am making—we are talking here about real contracts and real jobs.

Earlier this year, Secretary Brown testified before my subcommittee in a closed session to present a classified report detailing some of the activities that other countries are using to win deals for their companies. The report noted activities that are widely accepted such as high-level marketing. However, it also detailed questionable and illegal activities such as threats of aid cutoffs and outright bribes.

It is a fascinating report, and I urge my colleagues to go to S-407 and read it before voting to weaken our trade promotion and finance agencies which I would note, are funded at the lowest level of any major trading nation.

The proposal before us today is significantly better than proposals that were offered earlier this year, at least with regard to the trade portions.

Instead of eliminating huge parts of the trade promotion and finance staff, it eliminates only a portion, and consolidates them into a single agency—the new Office of the Trade Representative.

This new organization would bring together the existing Office of the Trade Representative, the Trade and Development Agency and the Commerce Department's International Trade Administration and Bureau of Export Administration. It would be headed by the U.S. Trade Representative, who would be designated a Cabinet officer by this administration. It would not, however, be a department.

There are a number of problems I see with this proposal. First, it brings together under one roof our good cop and bad cop on trade. I believe it will be very difficult for the head of this agency to do both jobs—to travel to a country and beat up on them at one meeting for not buying enough U.S. automobiles and then turn around and offering to sell them American built airplanes. It just does not seem like it will work as well as the current system where Mickey Kantor negotiates and enforces, and Ron Brown sells.

Second, this proposal would downgrade the status of many of our trade official which will have significant consequences in other countries where rank and face are important.

Third, this provision mandates spending cuts that would have a devastating impact on our export agencies. Already this year, I had to fight off an attack on the funding for these trade agencies—cuts that would have brought 600 layoffs out of the International Trade Administration alone

and which would have forced us to close nearly half of all domestic offices, and which would have left us without Commercial Officers in many parts of the world. There was overwhelming support for restoring the money when the bill was considered on the floor.

I would note that the funding cuts would also hit the Bureau of Export Administration—the agency charged with enforcing our export control laws on high-tech exports. That is a problem for two reasons. First it will mean U.S. firms selling computers, telecommunications equipment, machine tools and other high-tech products will likely have to wait longer for licensing—likely losing sales as a result. Just as important, however, it is likely to result in poorer enforcement of the export laws designed to prevent the proliferation of weapons of mass destruction. That is precisely the wrong way to go at a time when we are seeing the growth of groups such as the AUM sect in Japan.

Perhaps we ought to be considering reorganization of our trade agencies. If we do, however, I think it should be with a clear understanding of what we are doing. And, I for one, am not convinced that we have that understanding.

Thus, I urge my colleagues to reject this provision and to allow the Senate to get on with the pressing business at hand.

Mr. LIEBERMAN. Mr. President, I oppose the attachment of the House Commerce dismantling bill to the debt limit bill. This is not the way to consider how to organize trade and technology functions. The President has requested a clean debt limit bill without extraneous, unrelated bills attached to it. Clearly the inclusion of the Commerce dismantling legislation weighs down the debt limit bill and should not be considered as part of it.

This is a backdoor attempt to make economic growth the victim of our budget axe. Trade, telecommunications, technology, weather services. That is what is at risk. The House's intent to eliminate this department is just not rational. In our enthusiasm to make cuts to balance the budget we are losing sight of the reason we want to balance the budget in the first place—to make our economy stronger. The irony is that by cutting the trade and technology programs we are cutting programs that are already making our economy stronger. We will be defeating our own purpose.

I am particularly concerned about keeping the technology and trade functions integrated in the Department of Commerce. Within the Department of Commerce there are programs that work with the private sector to foster new ideas that may underpin the next generation of products. This is one of the few places where there are information channels that ensure that the ideas generated in our world class research institutions find their way into

the marketplace. Previous administrations had the foresight to realize that we are entering a new era, an era where economic battles are as fiercely fought as any previous military actions. New kinds of technology programs were begun with bipartisan support to make sure that the United States was well armed for these economic battles. I do not want to see us lose our technology edge in the marketplace, because this edge translates directly into jobs for our work force, new markets for American business, improvements in our balance of trade, and from this economic success, needed revenues for our treasury. The home of technology is with our trade programs where they will have the most impact and do the most good for our economy. The Technology Administration is a critical component of the Department of Commerce and we need to make sure its key functions are maintained. Yet the pending legislation would scatter Commerce agencies and slash technology spending.

Making changes in technology and trade functions at this juncture in time must be done extremely carefully. New markets are emerging in developing countries. Conservative estimates suggest that 60 percent of the growth in world trade will be with these developing countries over the next two decades. The United States has a large share of imports in big emerging markets currently, in significant part because of the efforts of the Department of Commerce. While we are making changes in the Department of Commerce, our foreign competitors are increasing their investment in their economies. Competing advanced economies are just waiting for us to make a move that will weaken our economic capacity. We cannot afford to dismantle successful programs that are making and keeping the United States competitive. We should be sure that changes we make will be improving the Government's efficiency and improving the taxpayer's return on investment.

The kind of technology programs that I am advocating are not corporate welfare. I find the term in this context not only inaccurate, but offensive. American industry is not looking for a handout. Quite the contrary. These programs are providing incentives to elicit support from the private sector for programs that are the responsibility of the government. Times are tough and the government needs to cut back, so we are looking for the handout from private industry, not the other way around. Let me explain.

Our goal should be, not to try and categorize research, but to make investments that are appropriate, and that strengthen our economy. I believe that there is an important and legitimate role for government to play in technology research. The National Association of Manufacturers has spoken out strongly in favor of the kind of technology programs that are run by the Department of Commerce. I would

like to read some quotes from their statement about Federal technology programs:

The NAM is concerned that the magnitude and distribution of the R&D spending cuts proposed thus far would erode U.S. technological leadership.

A successful national R&D policy requires a diverse portfolio of programs that includes long- and short-term science and technology programs, as well as the necessary infrastructure to support them. The character of research activities has changed substantially in the past decade, making hard and fast distinctions between basic and applied research or between research and development increasingly artificial. R&D agendas today are driven by time horizons not definitions. In short, rigid delineations between basic and applied research are not the basis on which private sector R&D strategies are executed, not should they be the basis for Federal R&D policy decisions.

The NAM believes the disproportionate large cuts proposed in newer R&D programs are a mistake. R&D programs of more recent vintage enjoy considerable industry support for one simple fact: They are more relevant to today's technology challenges. For example, "bridge" programs that focus on the problem of technology assimilation often yield greater payoff to a wider public than programs aimed at technology creation. Newer programs address current R&D challenges for more effectively than older programs and should not fall victim to the "last hired, first fired" prioritization.

In particular, partnership and bridge programs should not only not be singled out for elimination, but should receive a relatively greater share of what Federal R&D spending remains. These programs currently account for approximately 5 percent of Federal R&D spending. The NAM suggests that 15 percent may be a more appropriate level . . .

Given the critical importance of R&D, far too much is being cut on the basis of far too little understanding of the implications. The world has changed considerably in the past several years, and R&D is not different. Crafting a Federal R&D policy must take stock of these changes; to date this has not happened.

As the major funder and performer of the R&D in the U.S., industry believes its voice should be heard in setting the national R&D agenda. The Congress and the Administration should draw on industry's experience and expertise in determining policy choices. For example, as a guide to prioritizing Federal R&D programs, the NAM would favor those programs that embody the following attributes: Industry-led; cost-shared; relevant to today's R&D challenges; partnership/consortia; deployment-oriented; and dual use.

We believe these criteria provide the basis for creation of a template for prioritizing federal R&D spending.

In sum, the NAM remains firmly committed to a balanced federal budget. But we also firmly believe that the action taken thus far in downsizing and altering the direction of U.S. R&D spending is tantamount to fighting hunger by eating the seed corn. We urge the Congress to consider carefully the impact of R&D on U.S. economic vitality and to move forward in crafting an R&D agenda that will sustain U.S. technological leadership far into the future.

I would like to describe two programs in which I have taken a particular interest, the Advanced Technology Program [ATP] and the Manufacturing Extension Program [MEP], both eliminated by the pending bill.

ATP

Dr. Alan Bromley, President Bush's Science Advisor in 1991, determined a list of 20 technologies that are critical to develop for the United States to remain a world economic power. There has been very little disagreement among analysts and industry about the list. No one company benefits from these technologies, rather a variety of industries would benefit with advances in any one of these areas. These are the kinds of areas that form the focus areas of the ATP. The focus areas are determined by industry, not by bureaucrats, to be key areas where research breakthroughs will advance the economy as a whole not single companies.

There is no doubt that industry benefits from partnering with the Government. The nature of the marketplace has changed, and technological advances are a crucial component in maintaining our stature in the new world marketplace. Product life cycles are getting more and more compressed, so that the development of new products must occur at a more and more rapid pace. The market demands products faster, at higher quality and in wider varieties—and the product must be delivered just in time. Innovative technological advances enhance speed, quality, and distribution, to deliver to customers the product they want, when they want it. Ironically, the competitive market demands that companies stay lean and mean, diminishing the resources that are available for R&D programs that foster the kind of innovation necessary to stay competitive. Because of all of these pressures, industrial R&D is now focused on short-term product development at the expense of long-term research to generate future generations of products.

The conclusion is clear. This short-term focus will lead to technological inferiority in the future. Our economy will suffer. Some of my colleagues in Congress believe that basic research will provide the kind of innovation necessary to generate new generations of high tech products. On the contrary, we have seen historically that basic research performed in a vacuum, that is without communication with industry, is unlikely to lead to products.

In this country, we have the best basic research anywhere in the world. There is no contest. Yet, we continue to watch our creative basic research capitalized by other nations. We must improve our ability to get our brilliant ideas to market. Basic research focuses on a time horizon of 10 to 20 years. Product development focuses on a time horizon of less than 5 years, and sometimes much shorter than that. It is the intermediate timescale, the 5 to 15 year timeframe that is critical to develop a research idea into a product concept.

We have a responsibility to make sure that our private sector does not fall behind in the global economy. Diminishing our technological preparedness is tantamount to unilateral disarmament, in an increasingly competi-

tive global marketplace. Government/industry partnerships stimulate just the kind of innovative research that can keep our technological industry at the leading edge. These partnerships help fill the gap between short term product development, and basic research.

American companies no longer survive by thinking only about the national marketplace. They must think globally. Familiar competitors like Japan and Germany, continue to compete aggressively in global markets. New challenges are coming from India, China, Malaysia, Thailand, some of the leading Latin American nations and more. We cannot afford to let jobs and profits gradually move overseas to these challengers, by resting on our laurels, complacent in our successes. Other countries, seeing the success of the ATP, are starting to imitate it, just as we are considering doing away with it. Our competitors must be chuckling at their good fortune, and our short-sightedness. We simply cannot afford to eliminate ATP, as the bill proposes.

MEP

The state of manufacturing in this country is mixed. On the one hand our manufacturing productivity is increasing, but on the other hand we are losing manufacturing jobs by the millions. Manufacturing which once was the life blood of our economy is bleeding jobs overseas. We need to provide the infrastructure that insures that our manufacturing industry flourishes.

As I look at our manufacturing competitors, I am struck by how little we do to support this critical component of our economy. In the United States we are sued to being the leaders in technologies of all kinds. Historically, English words have crept into foreign languages, because we were the inventors of new scientific concepts, technology, and products. Now when you describe the state-of-the-art manufacturing practices you use words like *kanban* and *pokaoke*. These are Japanese words that are known to production workers all over the United States. *Kanban* is a word which describes an efficient method of inventory management, and *pokaoke* is a method of making part of a production process immune from error or mistake proof thereby increasing the quality of the end product. We have learned these techniques from the Japanese, in order to compete with them.

In a global economy, there is no choice, a company must become state-of-the-art or it will go under. We must recognize that our policies must change with the marketplace and adapt our manufacturing strategy to complete in this new global marketplace. The Manufacturing Extension Program [MEP] is a big step forward in reforming the role of Government in manufacturing. This forward looking program was begun under President Reagan, and has received growing support from Congress since 1989.

The focus of the MEP program is one that historically has been accepted as a proper role of government: education. The MEP strives to educate small and mid-sized manufacturers in the best practices that are available for their manufacturing processes. With the MEP we have the opportunity to play a constructive role in keeping our companies competitive in a fiercely competitive, rapidly changing field. When manufacturing practices change so rapidly, it is the small and mid-sized companies that suffer. They cannot afford to invest the necessary time and capital to explore all new trends to determine which practices to adopt and then to train their workers, invest in new equipment, and restructure their factories to accommodate the changes. The MEP's act as a library of manufacturing practices, staying current on the latest innovations, and educating companies on how to get the best results. At the heart of the MEP is a team of teachers, engineers, and experts with strong private sector experience ready to reach small firms and their workers about the latest manufacturing advances.

Another benefit of the MEP is that it brings its clients into contact with other manufacturers, universities, national labs and any other institutions where they might find solutions to the problems. Facilitating these contacts incorporates small manufacturers into a manufacturing network, and this networking among manufacturers is a powerful competitive advantage. With close connections, suppliers begin working with customers at early stages of design and engineering. When suppliers and customers work together on product design suppliers can provide the input that makes manufacturing more efficient, customers can communicate their specifications and timetables more effectively, and long-term productive relationships are forged. These supplier/customer networks are common practice in other countries, and lead to more efficient and therefore more competitive, design and production practices.

The MEP is our important tool in keeping our small manufacturers competitive. We are staying competitive in markets that have become hotbeds of global competition, and we are beginning to capture some new markets. More importantly, companies that have made use of MEP are generating new jobs rather than laying off workers or moving jobs overseas. These companies are growing and contributing to real growth in the U.S. economy. For each Federal dollar invested in a small or mid-size manufacturer through the MEP, there has been \$8 of economic growth. This is a program that is paying for itself by growing our economy.

Each MEP is funded after a competitive selection process, and currently there are 44 manufacturing technology centers in 32 States. One requirement

for the centers is that the States supply matching funds, ensuring that centers are going where there is a locally supported need. In summary, the MEP provides the arsenal of equipment, training, and expertise that our small and mid-sized manufacturers need to keep them in the new global economic battlefield.

The ATP and the MEP are critical technology investments. They are both run under the auspices of the National Institutes of Standards and Technology, NIST. This legislation would completely cut these programs. In addition to these NIST programs, NIST itself is at risk. NIST would be renamed to its previous title, National Bureau of Standards and merge with NOAA. The research programs at NIST would be drastically cut. I would like to bring to my colleagues' attention, a recent letter sent by 25 American nobel prize winners in physics and the presidents of 18 scientific societies. As the New York Times put it "Budget cutters see fat where scientists see a national treasure". These scientists are shocked and appalled that we could think of making major cuts in NIST and its programs. According to the scientists "It is unthinkable that a modern nation could expect to remain competitive without these services" and they continue "We recognize that your effort to balance the budget is forcing tough choices regarding the Department of Commerce, however the laboratories operated by NIST and funded by the Department of Commerce are a vital scientific resource for the Nation and should be preserved in the process of downsizing the Federal Government." These scientists are the leaders of the scientific community and we should not ignore their advice.

The rush to obliterate the Department of Commerce is senseless. In an attempt to streamline government function, the House proposal takes one agency and creates three: OUSTR [Office of US Trade Representative], the Patent and Trademark Office, which becomes a separate government-owned corporation, and NSOAA [National Science, Oceanic and Atmospheric Administration]. This dismantlement effort in the end is box shuffling. It will scatter a consolidated agency among a long series of other agencies and cost money to enact, not save money. Creating such chaos only to achieve fragmented programs is irresponsible. Investments in the trade and technology functions in Department of Commerce are investments in our future economic health, in high wage jobs for our workers, in the American dream. To dissolve or reorganize it should not be taken lightly.

Mr. LEVIN. Mr. President, this debt ceiling legislation also includes an entirely new regulatory reform overhaul, language which we have not seen before it was sent over from the House today. The effort to force a comprehensive and complex proposal through on a debt ceiling bill is irresponsible.

We have been working on regulatory language for months in the Senate. As much as I am a strong proponent of regulatory reform, I cannot understand how we can be asked to legislate language dropped upon us under the time pressure of a bill which is necessary to protect the full faith and credit of the United States. Such an effort is unprecedented and unwarranted. Its inclusion in the debt limit legislation threatens this necessary bill and does not advance the cause of regulatory reform.

No responsible Member of Congress should be playing Russian roulette with the full faith and credit of the United States, but that's exactly what's going on here today.

By sending us a bill loaded with proposals that the House knows the President will find unacceptable, it is asking the Senate to join it in forcing the President to play the game of Russian roulette. The House has handed the Senate a loaded gun and dared us to send it on to the President.

It is Russian roulette with five bullets in the six chambers.

We should not do it. We should unload the bullets and send a clean bill to the President that does nothing more than provide the debt limit increase needed to meet this country's financial obligations.

The bill sent to us by the House makes default more likely. It risks not only our credit around the world, but also people here at home. This is a game that could blow up in our faces, with tighter credit, higher rates for business, higher mortgage and car loan rates for consumers. No responsible legislator should play this game with the American economy.

Besides playing with the full faith and credit of the United States, the bill includes legislative bullets that are unrelated to debt management. The debt ceiling legislation is merely used as a means to wall these provisions off from thoughtful debate and amendment. These measures are unprecedented and extreme proposals to change the way we issue Federal regulations, promote business through the Commerce Department, and limit access to the courts.

Mr. President, I support the motion to strike from the debt ceiling bill the provisions that would dismantle the Department of Commerce.

Dismantling cost-effective programs that support U.S. trade and industry defies common sense. It is foolhardy. It is bad for the country and bad for my home State of Michigan.

The Department of Commerce is the Federal agency that is in the trenches, on a day-to-day basis, fighting for American business and American jobs in the global trade wars.

These trade wars are ones we can't afford to lose. Trade means growth, profits and jobs. U.S. exports, 90 percent of which are manufactured goods, provide many of the high-wage jobs American families need to survive.

The Commerce Department advances U.S. trade by helping U.S. firms meet export requirements, find new market lower manufacturing costs and develop new technologies. Its programs provide practical, cost effective and proven ways to increase U.S. trade. Slashing these programs strikes at the heart of American competitiveness.

The bill's proponents claim that ending this agency would shrink government and save money. In reality, this bill would replace one agency with two, cut trade programs by 25 percent eliminate successful industry programs, and dictate a raft of bureaucratic box-shuffling that would cost money rather than save it.

The Commerce Department is a Federal agency whose mission isn't to regulate business, but to assist American firms build exports, profits and American jobs. This bill threatens each and every one of the Department's trade and industry programs.

When legislation to dismantle the Department of Commerce was first referred to the Senate Governmental Affairs Committee, on which I sit, I went to businesses across my State of Michigan to ask how they felt about it. The business community let me know in no uncertain terms how foolhardy they think dismantlement is.

Michigan is the third largest exporting State behind California and Texas. Last year, \$35 billion in exports supported 100's of 1000's of Michigan jobs. Ninety-eight percent of Michigan's exports were manufactured goods. Literally thousands of Michigan companies use Department of Commerce trade and industry programs to increase their exports, improve their operations and grow their businesses.

These trade and industry programs don't proved handouts, but cost-effective support for some of the hardest working companies in our State—companies providing the high-wage jobs Michigan families need.

The chorus of praise for these programs from the Michigan business community include terms not often applied to government programs. Here are a few samples taken from letters.

"I cannot begin to comprehend the thought processes behind the abolishment of the one governmental agency that is so in tune and involved with the United States taking its rightful place in the * * * global economy," wrote Second Chance Body Armor of Central Lake, MI.

"[O]pponents to the Department of Commerce must have their heads in the sand * * *" wrote Electro-Wire Products of Dearborn, MI.

"(Abolition) would not save any tax dollars and would result in less effective enforcement of U.S. unfair trade laws," wrote Medusa Cement of Charlevoix, MI.

"[Dismantling programs to develop U.S. and international industry standards] is misguided and completely detrimental to the future of the entire manufacturing sector," wrote Redco Corporation of Troy, MI.

Letters supporting Department of Commerce programs have flowed in from a wide variety of businesses and organizations, including the World Trade Club of the Greater Detroit Chamber of Commerce; Ann Arbor Area Chamber of Commerce; The Right Place Program in Grand Rapids; Michigan Quality Council in Rochester; Perceptron in Farmington Hills; Whirlpool Corp. in St. Joseph; Masco in Taylor; and more.

That's just a few from Michigan. The Department of Commerce has thousands of letters from businesses across the country opposing dismantlement of its trade and industry programs.

Right now, the United States is dead last among its major trading partners in spending to build exports. Germany, for example, spends twice as much as we do. Japan currently invests 35 percent more than the United States on a per capita basis in civilian technology and plans to double the country's R&D spending by 2000. But this bill would slash U.S. spending on exports, manufacturing, and technology development by significant amounts.

The bill would slash 25 percent from all trade programs, for example, endangering enforcement of unfair trade laws, export assistance for small business, and trade negotiations. Export assistance offices in four Michigan cities that help thousands of Michigan companies break into foreign markets and build exports, might be lost.

The bill would eliminate altogether the Manufacturing Extension Partnership Program that helps small- and mid-sized manufacturers get lean and mean enough to compete globally. It would close centers like the Michigan Manufacturing Technology Center which helps 1,000 small- and mid-sized Michigan manufacturers each year. Earlier this year, when asked to eliminate funding for this program, the House and Senate refused on a bipartisan basis to do so.

The bill would eliminate the Advanced Technology Program which encourages research into state-of-the-art, cross-cutting technologies critical to future exports. Since 1990, this program has pumped over \$73 million into Michigan firms, promising competitiveness gains, new markets, and new high-wage jobs. Under this bill, that investment in our future would be seriously diminished.

The bill would also play havoc with the National Institute of Standards and Technology, a little known but key agency in the fight to lower trade barriers to U.S. goods by negotiating international industry standards and winning acceptance of U.S. standards. The bill would transfer it to a new agency, give it new responsibilities and then cut its budget by 25 percent. The end result would be nothing less than a serious blow to the technical infrastructure supporting U.S. industry, research, trade, and competitiveness.

We've spent weeks here on the Senate floor talking about the need for

cost-effective Federal programs. Well, here's an agency that has them, and we're being asked to cut them by a fourth or eliminate them altogether.

The export assistance offices targeted for 25-percent cuts, for example, cost \$27 million annually. Studies show that for every dollar spent, new exports generate \$10 in new tax revenue. In 1994, this \$27 million investment generated \$25 billion in new U.S. exports and \$2.5 billion in new tax revenues. Not to mention the jobs and income generated for U.S. workers.

The Manufacturing Extension Partnership targeted for elimination cost \$71 million in fiscal year 1994. A study of just 500 manufacturing companies that used the program to modernize their operations found that these companies had experienced \$167 million in new sales, investments, and cost savings and generated 3,400 new jobs. Taxpayers are getting an 8 to 1 return on every dollar spent on this program.

The Advanced Technology Program, also targeted for extinction, has been in operation for only a few years, but initial data shows the program is accelerating technology development, encouraging productive partnerships between American firms, and producing new jobs at 90 percent of the small firms surveyed. Why eliminate this effective spur to American competitiveness?

The Commerce Department trade and industry programs represent a small percentage of the Department's entire budget, yet produce enviable results and the praise of business and community members alike. These are exactly the low-cost, high customer satisfaction programs that we want from government. So why are these the programs on the chopping block?

Dismantling these programs is not the only problem with the bill provisions in this area. There are many more, including abolishing the Economic Development Administration, eliminating a whole host of marine and Great Lakes research programs, fundamentally changing the Patent and Trademark Office, eliminating important telecommunications and broadcasting programs, alerting a key NAFTA implementation office; the list goes on.

The bill impacts a very large number of programs and agencies. It proposes, in effect, a fundamental restructuring of our trade agencies, the National Oceanic and Atmospheric Administration, key statistics agencies, and others. I don't disagree with all of the changes being proposed. The problem is that these changes would be made without the benefit of an overall government reorganization plan, a plan that is a key part of the Senate bill that passed the Governmental Affairs Committee on this topic. Making the fundamental changes called for in this bill before an overall reorganization plan has been devised is putting the cart before the horse. It's a mistake.

The final point I would like to make is to repeat what I have said elsewhere.

The proposal to dismantle the Commerce Department has no business on the debt ceiling bill. It has nothing to do with ensuring that the United States is able to meet its financial obligations, and it is being presented in a context that shortcircuits both debate and amendment.

For reasons of both policy and process, I urge my colleagues to reject this bill's unthinking and short-sighted demolition of trade and industry programs important to American business, American workers, and American jobs.

Mr. President, the habeas corpus provisions added to this bill in the House of Representatives have no place in a continuing resolution either.

Under current law, an unconstitutional State court decision may be overturned in Federal court. For a violation of the Federal Constitution, there is a Federal court remedy. Under the bill before us, that would no longer be true.

Under this bill, the Federal courts would be powerless to prevent unconstitutional State court actions unless the Supreme Court has already ruled on the specific type of violation at issue—even if every single Federal Circuit Court of Appeals had already ruled that such actions violate the plain words of the Constitution.

Under this bill, the Federal courts would be powerless to grant a constitutional claim that was wrongly denied by a State court, as long as the State court acted in a "reasonable" manner. This standard establishes a whole new concept—the "reasonable" violation of the U.S. Constitution.

Under this bill, the Federal courts would be powerless even to help those who were found guilty because the prosecution withheld evidence proving their innocence. In its simplest terms, this bill would render Federal courts powerless to defend the U.S. Constitution and to protect the innocent from imprisonment or even execution.

Mr. HOLLINGS. Madam President, how much time do I have?

The PRESIDING OFFICER. Four minutes fifty-two seconds.

Mr. HOLLINGS. I yield 2 minutes 50 seconds to my distinguished colleague from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. I thank my good friend, the Senator from South Carolina, who has fought for these issues for a long time.

I am very glad that the Senator from Michigan does not want to eliminate the Department of Commerce because, as the Senator from South Carolina says, it seems to me that is the closest thing to unilateral disarmament as this country could accomplish. There is an enormous battle going on right now, and we are not winning. Just exactly at the time that the United States is reducing our defense civilian research and development, the Japanese—whose

economy is not in particularly good shape—are doubling their nondefense research and development. Either we are going to be training the next generation of engineers who will manufacture products which will in fact be the kind of products that give high wages—in fact, if you look at 1992 and the high-technology products, those wages in the manufacture of those products were \$41,000, and other wages that did not relate to that were closer to the upper 20's. So are we going to be producing the next generation of engineers, or is it going to be the Japanese?

One of the arbiters of that—not the entire arbiter of that, but one—is the work done by the Department of Commerce. The concept of eliminating the Department of Commerce is just so fundamentally shocking to me, because it works every day with small businesses and large businesses in very creative ways.

Mr. President, this is an amendment to clean off what I call the graffiti that has been scrawled onto the debt ceiling measure before us. In the other body, something called Department of Commerce Dismantling legislation was tossed onto this debt limit bill. This is an embarrassing way to deal with something as profoundly important as the full faith and credit of the United States of America. The amendment to erase the Commerce Department Dismantling part from this bill should be adopted; and I truly hope it will be delivered with the kind of strong, bipartisan signal that I am convinced exists among us.

Everyone in the Senate knows that Americans want us to insist on a more effective, better-managed, better-organized federal government. I would not even try tonight to recite how I believe both the Administration and many of us here in the Senate have pursued that goal in the past several years.

But Americans are not asking us to insult them. If you look at what the Commerce Department Dismantling bill would actually end up costing us—and how much it would end up hurting us—this idea is one to stop, and stop now.

Actually, the elimination of the Department of Commerce is a terrific way to strengthen our foreign competitors and weaken the United States economically. The supporters of such a move may not intend to do that—but the effect would be the same. The Department of Commerce is the agency that day-in and day-out is working with America's businesses—from the smallest in size to our major corporations—to research the latest technologies, export our products to every conceivable market, enforce our laws against unfair and destructive trade practices that hurt American workers and businesses, and perform a series of other missions that we cannot afford to abandon for a single minute.

Look at what happened in the other body when they took the Department of Commerce into their operating

room. They did not simply wipe out an agency. They were forced to take division after division and actually create new agencies with new addresses and new bureaucracies to make sure the work still gets done. The legislation in this debt limit bill would waste taxpayers' money and many years' effort on taking apart many parts of the Commerce Department only to transplant them someplace else.

The dismantling legislation does try to eliminate completely a few aspects of the Commerce Department's work. Among the major targets are the programs that invest in technology and represent a significant part of this country's commitment to research and development.

Mr. President, this is exactly the wrong time to back away from R&D, especially in the emerging technologies that determine whether this is the country that will make the new type of computer chip or whether it will be Japan * * * whether ours will be the country to stay ahead in telecommunications or whether we just hand our competitive edge and markets over to Europe. Will we continue to manufacture the products that pay our people higher wages and support a middle-class, or will we trade places with other countries scrambling to claim our place in an increasingly competitive world—and watch wages in America go down and down?

A report just released by the President's Council of Economic Advisors rang some clear warning bells about this country's economic future. They are warnings, they are not a death notice—yet. The Council looks at the budget cuts being proposed this year in Federal non-defense research, amounting to a 30-percent cut by the year 2002, and flashes a glaring red light to alert us of the danger we face. As we speak, Japan is planning to double its government support of non-defense R&D. We simply cannot retreat from investing in science, in technology, in innovation, and expect to produce the prosperity and standard of living that supports the American way and the American dream. It is just not possible.

This country has such a proud, long history of innovation and optimism about the future through our commitment to education, to research, and to knowledge. When we think of ourselves as a nation, we think of ourselves as intellectual pioneers and entrepreneurs. We think of Alexander Graham Bell, Thomas Edison, the Wright Brothers, the space program, and, now, the new pioneers like Bill Gates. American support of technology and research has led to the success of the airplane, the jet engine, computers, and even the Internet.

This is what the Department of Commerce is about—it operates a series of programs that do everything from working as a partner with industry to developing new path-breaking technologies, to running a series of manufacturing extension centers that exist

to help small- and medium-sized businesses in every single State learn how to take advantage of technology. These are the programs that generate jobs, exports, and opportunity in West Virginia and in every other State of the Union.

The Commerce Department is the missionary agency for exporters, small, medium, and large. Anyone who has worked with the U.S. & Foreign Commercial Service knows how hard they fight for the best interests of American firms abroad. They have done yeoman's work on trade missions I have led for West Virginia companies in Japan and Taiwan. It is my strong belief that we were so effective in those missions, in large part, because FCS officers put business first. The dismantling legislation would eliminate their presence in this country and merge the foreign offices with the United States Trade Representative's office. USTR does not want or need to be burdened with having to negotiate on the one hand and promote and enforce on the other.

This dismantling is not about better government. It is not about improving our trade promotion. It is not about making the enforcement of our trade laws work more efficiently. And it is certainly not about making it easier for our trade negotiators to do their jobs.

If this were about better government, we would not be burdening the U.S. Trade Representative with a big and unfamiliar bureaucracy. If this were about better government we would not be creating a bunch of new agencies. If this were about better government, we would not be asking our trade agency to balance trade negotiation, trade law enforcement, and trade promotion. If this were about better government, we would not be relegating our Nation's trade agenda to a lower level, taking it out of the Cabinet, and moving the business of American business off the Nation's agenda.

Again, abolishing the Department of Commerce is an excellent way to strengthen our foreign competitors and weaken the United States economically. I find it hard even to conceive how the proponents concocted such a notion.

At a time when our country has to compete with more than 120 other nations for markets and jobs, where is the logic in eliminating the single agency dedicated, day-in and day-out, to outdoing our competitors in exports and trade?

At a time when technology is the proven key to America's economic growth, to success in selling products in foreign markets, and to defining our national belief in progress and innovation, where is the sense in killing off our already-modest support for American technology? The Department of Commerce provides a set of useful and necessary tools to help small and medium-sized businesses get a better handle on technology and to invest in longer-term R&D aimed at making

major technological advances and ensuring that the U.S.—not our competitors—will have the high-wage jobs and high-tech industries.

When we are fortunate to have one agency focused on American business and industry, with a voice in the Cabinet, a direct link to the President, and proven clout in the world, how does one come up with the idea of getting rid of it?

If I believed in conspiracies, I would find myself thinking that this back door effort, this attempt to attach a lame piece of legislation to the debt ceiling—a piece of legislation that could not get through the Congress on its own—was some kind of foreign plot to steal American jobs, break our trade laws, and force a technological and economic surrender. That is what this bill is—surrender on the field of economic and technological competition—and that is why proponents know that if they tried to ride this broken down horse of legislation through on its own, the Senate in its good sense would put it out of its misery.

I say to my colleagues, resist the temptation to flash in front of the American people an easy symbol of your commitment to deficit reduction and shrinking government. Resist making a vague ideological point at the expense of your Nation's best interests. Think of what you would feel about abolishing the Department of Defense at the height of the cold war. This legislation before you is the same lunacy—suggesting economic disarmament at the very time when the United States should be beefing up our arsenal of trade enforcement, export promotion, technology investment, and local economic development.

So I am glad that the Senator from Michigan is going to wait until another day to try to do this. I will be here at that time to try to defeat that effort. But I am glad it is not taking place this evening.

I thank the Presiding Officer.

Mr. HOLLINGS. I yield a minute to my distinguished chairman, Senator MOYNIHAN.

Mr. MOYNIHAN. Madam President, almost as an aside but a serious one, I note that a part of the provision that we are about to strike would combine the Bureau of the Census with the Bureau of Labor Statistics. And as the Senator from South Carolina knows, in article I, section 2 of the Constitution, we provide for a decennial census and that has been our great strength and source of data for this country. But there has come a time when consolidating makes sense. The Canadians have done this, with Statistics Canada, at considerable success, something I think in time we ought to do. I simply make that observation.

I yield back the remainder of our time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. I yield myself such time as I need.

I appreciate some of the points that have been made. We have had these discussions in the context of committee debates and so on on this issue, but I think it is important to make two points.

First, my position with respect to the Department of Commerce has not changed. As the prime sponsor of this legislation, I remain committed to it. Tonight is just not the night I think this debate should occur.

There are a lot of arguments made which suggest that somehow the Department of Commerce makes the engine of this country's free enterprise system function. I have talked to business people in my State and business people across the country. They do not share that opinion. In fact, a recent poll that was conducted by the Chamber of Commerce of Detroit, MI, which is a very bipartisan organization, indicated 47 percent of those polled supported eliminating the Department of Commerce, only 6 percent were opposed, and the rest just did not have an opinion.

The fact is that the Department of Commerce as currently comprised is not a Department that deals exclusively with, or for that matter in large measure with, commerce and creating jobs and opportunities. In fact, the largest operation within the Department is NOAA, the National Oceanic and Atmospheric Administration. It is, indeed, the largest subunit of the Department of Commerce, and while it has some connection with activities relating to commerce, not much of it does. In addition, a large part of the Department of Commerce is what I guess we would term duplicative of other aspects of the Federal Government.

In fact, a GAO study recently indicated that the Department of Commerce shares its mission with at least 71 Federal Departments, Agencies, and offices. Indeed, that overlap is what we should be trying to eliminate in Washington, and the purpose of the bill which I have introduced is designed to eliminate that duplication, to save the taxpayers' money while retaining those parts of the Department of Commerce that make the most sense.

Indeed, as former Secretary of Commerce Bob Mosbacher has indicated, "The Department is nothing more than a hall closet where you throw in everything that you don't know what to do with."

Indeed, that is what the Department of Commerce has become. It was not intended to be that type of a department, but that is what we find. We find trade functions in the same place as the weather bureau. And while many Americans, I think with justification, complain about what is going on here in Washington, as I tell people what the various functions of the Department of Commerce are, they scratch their heads in total puzzlement: Why

would you be putting all these different, diverse, unconnected, and unrelated activities under one roof? The answer is that the Department has survived simply as the catchall of things that do not seem to fit in other places.

The legislation which I will be bringing back to the floor finds the right place for the different functions of Commerce that ought to be retained and eliminates those that do not.

Let me just speak about one special area because I know it is one of concern to people on both sides of the aisle, and that is the trade responsibilities of the Department of Commerce or more broadly the trade activities of the Federal Government.

Much has been made of the role that Commerce plays with regard to trade. Indeed, it does play a role. But interestingly enough, only 8 percent of the total Federal spending on trade promotion in this country is actually directed by the Department of Commerce. The other 92 percent falls under other Agencies of Government and other Departments. So, in fact, as with many other things in the Commerce Department, Commerce is not in charge of trade. It just plays one of a number of governmental roles with respect to trade.

Our legislation is designed to try to bring these trade functions together under one roof where there can be coherence and strategy, people pulling together to try to help our country be more effective. Indeed, I would say to those who would say we have to have the Department of Commerce because of the great trade deficit, if that is the case, why are we running these huge deficits?

One of the goals I have is to bring these trade functions together more coherently so that we can try to address trade issues not just in the competition sense, not just in the ways the U.S. Trade Representative's office does, but also in the strategic sense as I think can better be done where the trade functions are comprised in one area of Government rather than across many, many different areas.

Finally, the people in my State think all the bureaucracies in Washington are too large, but they especially find it puzzling as to why we have to have the Commerce Department with 37,000 employees making an average salary of, I think it is about \$42,000 a year. That is more than the average salary of the families in Michigan; 37,000 people represents more people than live in cities such as Traverse City, MI; Port Huron, MI, Jackson—almost all the cities of Michigan. It is a huge bureaucracy that is a very well-paid bureaucracy, and while many of the people there are doing good jobs, some of these functions are no longer needed and many would run more efficiently and effectively and help produce in fact more positive results if they were better assigned than is currently the case.

Later we will get to these issues in more detail, and I look forward to that debate at a future point.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. How much time do I have remaining?

The PRESIDING OFFICER. One minute, 30 seconds.

Mr. HOLLINGS. I yield to the Senator from Ohio.

Mr. GLENN. Madam President, I rise in strong opposition to dismantling of the Commerce Department as part of the debt limit.

First of all, as a matter of process, the debt limit should be kept clean, and strictly limited to its purpose—to provide the Federal Government legal authority for a specified period so that it can meet its debt obligations. We should not be considering Commerce dismantlement as part of the debt limit. Nor should it be part of some “catch-all” bill like the continuing resolution or reconciliation bill.

In taking this action, I believe that the republican majority is engaging in a high-stakes poker game where the fate of our economy and the Federal Government's ability to pay its debts is being wagered in an effort to win the prize of shutting down the Commerce Department. This is precisely the type of political brinkmanship that leaves the American people with such a sour taste about Congress and about government. It is completely and utterly irresponsible to use the threat of a Federal default to force the shuttering of a Cabinet Department. This proposal represents a total perversion of the legislative process.

I also object to it on substantive grounds as well.

We live in an economically interdependent world—a world in which trade and technology—the two primary missions of the Commerce Department—are playing an increasingly important role. I am a strong supporter of the current Commerce Department for those reasons. We need a strong advocate for U.S. business at the Cabinet table, and I believe that Secretary Brown has been very effective in playing that role. During the 2 days of hearings before the Committee on Governmental Affairs, he was praised by both Republicans and Democrats alike for his performance. The Majority even notes in the Committee report that Secretary Brown “has received high marks for his active promotion of American exports.” Under his leadership, the Commerce Department has been transformed from a bureaucratic backwater into an export promotion dynamo. For example, the Wall Street Journal reported just over a month ago how he and the Department made an all-out effort to secure a \$1.4 billion contract in Brazil for a consortium of U.S. companies. If you ask the executives in those companies, they will tell you that they would have lost that contract to foreign competition if it had not been for the personal efforts of the Secretary.

The Department spends about \$250 million a year in trade promotion, which in 1994 yielded \$20 billion in exports for U.S. companies. That amount supports about 300,000 U.S. jobs. The Department's International Trade Administration has done an outstanding job back in our home States—it has a network of 73 U.S. offices and 130 offices overseas—and ITA estimates that for every taxpayer dollar it spends on export promotion, \$10.40 is returned to the Federal treasury through tax revenues generated by exports. Also, the Department has very capably assisted the USTR in our Uruguay Round and NAFTA trade negotiations on issues ranging from auto parts, to textiles, to international copywrite law. Not surprisingly, these efforts, combined with a sound Clinton administration economic policy, have helped lead to a 17 percent increase in U.S. exports for the first 5 months of this year.

We are entering the information age, spurred by rapid changes in information technology. It is an exciting time. The private sector is leading the way into the information economy. And that is as it should be. But are our colleagues aware that the Federal Government established the first computer information network? It was developed by the Department of Defense and was called the ARPAnet. The ARPAnet was the predecessor to today's Internet. In so many other areas of technological advancements that we readily take for granted, the Federal Government took the initial role of funding the R&D for technologies that later ended up powering our economy and improving our way of life. The Commerce Department is playing a key part in this development. NIST's Advanced Technology Program has been funding R&D in a cooperative partnership with the private sector to develop the technologies of tomorrow. The National Telecommunications Information Administration has been providing grants to develop the National Information Infrastructure, the so-called Information Superhighway. And the Technology Administration is coordinating interagency R&D on building the automobile of the 21st century. But this measure rejects the approach in investing in the technologies of the future by cutting and terminating a number of technology programs. These cuts and terminations reflect 19th century “know nothing” or Luddite thinking, not 21st century wisdom and foresight. They disregard the fact that our most competitive industries, from computers to agriculture to aerospace, were developed with Federal R&D assistance. And they fail to recognize that Japan, our foremost competitor, is planning to double its non-defense R&D spending by 2000 and will surpass the U.S. in total nondefense R&D spending by 1997. I can imagine that Tokyo's leaders are raising toasts of sake as they watch us on CSPAN today.

This is not to say that the Commerce Department could not be reorganized

so as to strengthen its mission and improve its effectiveness. I have sponsored legislation in the past to reorganize the trade and technology functions of the Federal Government, to bring them together under one roof in a Department of Industry and Technology. However, I did not propose destruction of the Department and the scattering of its component parts.

I am an advocate of looking at the need to restructure and reorganize the entire Federal Government, and to do it carefully and in an integrated way, not just on a piecemeal basis. That is why I favor the establishment of a bipartisan commission to design the government of the 21st Century. The basic structure of the Federal Government really has not changed much over the last 25 years. And I do not believe its current structure reflects the changes that our economy and society has undergone recently. So it needs to be examined and a bipartisan, expert commission is really the best approach to take. Two years ago the Committee on Governmental Affairs supported the creation of such a commission to submit legislative recommendations on restructuring the Federal Government that Congress would have to consider on a “fast-track” basis. I still support this approach, and I offered an amendment in markup to establish such a commission as a substitute to the Commerce dismantling bill. Unfortunately, that amendment lost on a party-line vote.

If this legislation were about reorganizing the Commerce Department, or about implementing a rational downsizing plan for the Department, then I believe that we could work together with the majority to produce good legislation. But this legislation is not about reorganizing the Federal Government's trade and technology programs to better coordinate them and improve their efficiency. Nor is this legislation about a rational downsizing of the Department. That is underway now. The Department is reducing its 35,000 person workforce in line with the President's plan to reduce the overall Federal workforce by 272,000 positions by 1999. Under the leadership of the National Performance Review, the Department is examining the privatization of the National Technical Information Service, parts of NOAA, as well as other programs. It is phasing out the Travel and Tourism Administration and modernizing Census collection.

What this debate is about is the elimination of a Cabinet Department for purely symbolic and political reasons. It is about tacking a hide on the wall, putting a trophy on the mantle.

Further, this proposal applies a blowtorch to \$1 billion worth of Federal agencies and programs in the Department, melts them down and terminates them. Agencies that survive will be hobbled by a large cut.

Most of that cut will fall on NOAA, at \$1.9 billion the largest remaining agency and the home of the National Weather Service. And we are considering these draconian cuts at a time when the Florida coast continues to be battered by hurricanes. That is just plain foolish. The House Bill also ends many of the Great Lakes programs important to the midwest. Further, both House and Senate Appropriations Committees have rejected such deep cuts in NOAA's budget. Those Committees also preserved the Economic Development Administration, recognizing its value to economically-distressed regions of the Nation, especially those that have been negatively impacted by base closing. Yet this measure terminates the EDA.

This measure transfers some of the Federal Government's trade agencies into the U.S. Trade Administration, consolidations that I have supported in past legislation. But unfortunately these agencies are being transferred into an administration and not a Cabinet Department. When our companies are fighting for large government contracts overseas and are competing against a Team Japan, or a Team Germany, I think it makes a difference when the respective foreign government gets the call from a U.S. Cabinet Secretary, as opposed to a lower ranking administrator.

In the Committee report on the Senate bill, the majority discusses how downsizing and streamlining has been taking place in the private sector. I believe that an examination of the restructuring undertaken by the private sector is relevant in this context. Independent studies of private sector restructuring efforts show that their success is a hit or miss proposition and depends on several factors. A 1993 survey of over 500 U.S. companies by the Wyatt Company revealed that only 60 percent of the companies actually were able to reduce costs in their restructuring efforts. Both the Wyatt Survey and a similar one conducted by the American Management Association concluded that successful restructuring efforts must be planned carefully with a clear vision of their goals and objectives, and that proper attention be given to maintaining employee morale and productivity. Otherwise, the costs of reorganization may outweigh its benefits.

I believe that government reorganization is a complicated task that cannot be successfully accomplished without serious study and deliberation, especially if it is going to achieve the dual goal of improving government efficiency and reducing costs. That means Commerce reorganization should follow, not precede the recommendations of a bipartisan commission. We should not be reorganizing the Commerce Department first and then forming a government commission to restructure the rest of government, as has been proposed. That does not make any sense. My hope is that the major-

ity will abandon its narrow focus on the Commerce Department and focus instead on the more important issue of reorganizing and streamlining the Federal Government to improve the efficiency and cost-effectiveness. Until then, I will continue to oppose this legislation.

Mr. HOLLINGS. I thank the distinguished Senator from Ohio, the former chairman of our Governmental Affairs. He lead the sober consideration of this particular issue in the committee, and we are all indebted to him.

Specifically, the Department of Commerce gives the businessman Cabinet-level status and voice at the Cabinet table.

What the Senator wants to do with this academic percentage argument and otherwise is say, yes, Labor should have a voice. No one has intimidated we should do away with the Department of Labor. The farmer, he should have it. No one has intimidated we should do away with the Department of Agriculture. But the businessman in the global competition should lose his voice and leadership.

I do not know where the Senator got the 8 percent, but I can tell you 90 percent of the job creation has come through Secretary Ronald Brown. He has traveled tirelessly the world around getting different deals for the manufacturing jobs here in the United States of America. I wish I just had more time to go down the list—the International Trade Administration, which was recommended and instituted by President Nixon; the National Oceanic and Atmospheric Administration is nothing more than the extension of the Environmental Science Services Administration.

I believe the Chair is indicating that my time is up. But I have been handling the financing part for 25 years on the Appropriations Committee. We have cut back because the pressure has been brought in State, Justice, Commerce for a great endeavor in law enforcement, and as a consequence we have been cutting back on State's budget and particularly in the Department of Commerce.

Do I have any time remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Let us voice vote.

Mr. ABRAHAM. Madam President, could I inquire how much time we have remaining?

The PRESIDING OFFICER. The Senator from Michigan has 2 minutes, 25 seconds.

Mr. ABRAHAM. I yield as much time as he may need to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

Mr. ROTH. First, Madam President, I congratulate my distinguished colleague from Michigan for the leadership he has demonstrated in helping develop this most important piece of legislation to dismantle the Commerce

Department. This basic legislation is important, and I think it is also workable.

During my tenure as chairman of the Governmental Affairs Committee, I held hearings to determine the best way to prepare the Federal Government for the 21st century, the best way to streamline and make it more efficient and effective. Our hearings came to two certain conclusions: First, that the Federal Government is obsolete in its present form, a 50-year old relic that is structurally incapable of meeting the needs of the 21st century. And it is so rife with duplication and fragmentation that, according to the GAO, some six agencies perform each major mission.

Our second conclusion was that the Commerce Department is a microcosm of almost everything that is wrong with the Federal Government as a whole. There is no better place to begin eliminating wasteful bureaucracy and restructuring core missions to meet the needs of the 21st century.

This proposal contains restructuring actions with broad bipartisan support. The bill transfers the Census Bureau and the Bureau of Economic Analysis to the Department of Labor, Bureau of Labor Statistics, as a first step toward creating a single Government statistics agency. It unifies critical trade functions within a single Cabinet-level agency, the Office of the United States Trade Representative.

For almost two decades now, I have personally advocated the elimination of Commerce and the creation of a trade agency. The Governmental Affairs Committee has passed similar bills to achieve this same purpose in previous sessions of Congress.

This provision also creates a bipartisan "Citizens Commission on the 21st Century Government" to move from Commerce to the bigger picture of what the government of the future should look like and how it should perform. The Commission is directed to reexamine missions and functions of the Federal Government in the 21st Century, and fundamentally restructure the bureaucracy to improve productivity and service delivery. The Commission will produce its first report by July 31, 1996, for fast-track consideration before the end of the 104th Congress. This time frame is ambitious, but it must be kept to meet the public's mandate for change.

The issues to be addressed by the Commission will require bold, bipartisan action. The Governmental Affairs Committee has reported restructuring commission bills in previous sessions of Congress. The last one, sponsored by Senators GLENN, LIEBERMAN and myself, passed the Committee nearly unanimously in 1993.

It preserve important funding authorities of the Economic Development Administration and the Minority Business Development Agency by transferring them to other agencies which perform very similar functions.

This will allow us to meet our budget targets while eliminating wasteful bureaucracy. It will also allow the best programs from EDA and MBDA the chance to compete for continued life within new agencies.

What we have before us this evening is an excellent starting point for the comprehensive, government-wide restructuring the public demands. Today's government is characterized by huge, hierarchical bureaucracies. As we heard from GAO, during our hearings, there is wholesale duplication, overlap, and fragmentation in functions and spending.

In a nutshell, the taxpayers are paying for one agency to set a policy or perform a function, another agency to contradict that agency, plus several other agencies who receive funding to perform some related role. As a result, an extensive patchwork of coordinating committees has been created to prevent the bureaucracy from grinding to a halt.

The Commerce Department has been described as a loosely knitted "holding company" of agencies pursuing unrelated missions. Its management systems and controls are on GAO's high risk list.

It directly serves only a small number of favored American firms and industries. Many in the business community have serious doubts that it adds sufficient value to justify its continued existence. Almost all of the experts agree: Commerce should be restructured to eliminate wholesale duplication and fragmentation and bring coherence to the management of its important functions.

Let me be clear about one thing, with this provision we are not on a warpath to arbitrarily terminate agencies. We are not out to collect scalps to mount in a trophy case.

Nor are we engaged in a superficial shell game which merely redraws boxes on an organization chart. Our objective is to reduce costs and improve services throughout our government.

Commerce has no single mission or function as an exclusive province. The GAO found that it shares its four major functions with 70 other federal organizations. We must change this organization structure, if we are to give the taxpayers efficient and effective performance of the functions now being performed by Commerce.

Sadly, the Commerce Department is typical of the waste and inefficiency that pervades our government. That is why it makes an ideal starting point in the government wide restructuring that is necessary to prepare America for the next century.

The PRESIDING OFFICER. All time having expired, the question occurs on agreeing to amendment No. 3052.

The amendment (No. 3052) was agreed to.

Mr. HOLLINGS. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from New York is recognized.

AMENDMENT NO. 3053

(Purpose: To provide for a temporary increase in the public debt limit)

Mr. MOYNIHAN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 3053.

Strike all after the enacting clause and insert the following:

SECTION 1. TEMPORARY INCREASE IN PUBLIC DEBT LIMIT.

During the period beginning on the date of the enactment of this Act and ending on the later of—

(1) December 12, 1995, or

(2) the 30th day after the date on which a budget reconciliation bill is presented to the President for his signature,

the public debt limit set forth in subsection (b) of section 3101 of title 31, United States Code, shall be temporarily increased to \$4,967,000,000,000, or, if greater, the amount reasonably necessary to meet all current spending requirements of the United States (and to ensure full investment of amounts credited to trust funds or similar accounts as required by law) through such period.

Mr. MOYNIHAN. Madam President, I ask that the measure be read in its entirety to define and illustrate its brevity and its purpose, which is to send to the President a clean extension of the debt ceiling.

There can be no question in my mind that we put in jeopardy the interests of the United States if we restrict the ability of the Treasury to redeem its debts. One of the greatest assets we have is that the U.S. Treasury bond is the firmest, most solid debt instrument in the world.

I have a letter from Alan Greenspan, our distinguished, revered Chairman of the Board of Governors of the Federal Reserve System, saying, "Our word is among our most valuable assets." It is essential that we honor our obligations in order to make our securities the keystone of world financial affairs.

I ask unanimous consent that Chairman Greenspan's letter be printed in the RECORD.

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

FEDERAL RESERVE SYSTEM,
Washington, DC, November 8, 1995.

HON. ALFONSO D'AMATO,
Chairman, Committee on Banking, Housing,
and Urban Affairs, Washington, DC.

DEAR MR. CHAIRMAN: You have asked me about the effects of a default on U.S. Treasury obligations should the Treasury run out of cash as a consequence of the debt ceiling not being raised in a timely manner.

As I stated before your Committee in September, I do not think the issue of default should be on the table. Without question, the federal government must take steps to assure that its budget will be in balance by

early the next century. The vitality of our economy depends on accomplishing this goal. If, for some unforeseen reason, the political process fails and agreement is not reached, it would signal that the United States is not capable of putting its house in order and would have serious adverse consequences for financial markets and economic growth.

Nonetheless, there are many avenues to an agreement, and the full faith and credit of the United States need not be part of the process. The United States has always honored its obligations. Our word is among our most valuable assets. It is an essential element in making our securities the keystone of world financial markets. A failure to make timely payment of interest and principal on our obligations for the first time would put a cloud over securities that would dissipate for many years. Investors would be wondering when we would next allow our credit worthiness to become embroiled in controversy. Breaking our word would have serious long-term consequences. There are much better ways to bring our budget credibly into balance.

Sincerely,

ALAN GREENSPAN,
Chairman.

Mr. MOYNIHAN. I also ask unanimous consent that an excerpt from a report by the Congressional Budget Office stating that the debt ceiling is an extraneous issue as regards Federal spending in a day when entitlement spending comprises two-thirds of our outlays, be printed in the RECORD.

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

THE ECONOMIC AND BUDGET OUTLOOK: AN UPDATE

(From the Congressional Budget Office)

* * * At one time, the debt ceiling may have been an effective control on the budget when most spending was subject to annual appropriations. But discretionary spending is now a much lower proportion of total spending, amounting to only 36 percent in 1995. Under the recently adopted budget resolution, discretionary outlays will continue to fall further to 27.5 percent by 2002. The rise in mandatory spending and growth of the trust fund surplus has turned the statutory limit on federal debt into an anachronism. Through its regular budget process, the Congress already has ample opportunity to vote on overall revenues, outlays, and deficits. Voting separately on the debt is ineffective as a means of controlling deficits because the decisions that necessitate borrowing are made elsewhere. By the time the debt ceiling comes up for a vote, it is too late to balk at paying the government's bills without incurring drastic consequences.

As a result, because raising the debt ceiling is considered to be "must pass" legislation, the debt limit is frequently used as a device to force action to obtain some other legislative goal. For example, in 1990, the Congress voted seven times on the debt limit between August 9 and November 5 as the budget summit meetings progressed and the Congress considered the resulting budget resolution and reconciliation bill.

WHAT ARE THE CONSEQUENCES OF NOT RAISING THE DEBT LIMIT?

Financial markets find the debt limit a periodic source of anxiety. The government has never defaulted on its principal and interest payments, nor has it failed to honor its other checks. However, even a temporary default—that is, a few days' delay in the government's ability to meet its obligations—

could have serious repercussions in the financial markets. Those repercussions include a permanent increase in federal borrowing costs relative to yields on other securities as investors realize that Treasury instruments are not immune to default.

Failing to raise the debt ceiling would not bring the government to a screeching halt the way that not passing appropriation bills would. Employees would not be sent home, and checks would continue to be issued. If the Treasury was low on cash, however, there could be delays in honoring checks and disruptions in the normal flow of government services. Carried to its ultimate conclusion, defaulting on payments would have much graver economic consequences—such as loss of confidence in government and a higher risk premium on Treasury borrowing—than failing to enact discretionary appropriations by the start of a fiscal year.

Mr. MOYNIHAN. Finally, Madam President, I call attention to one of the many extraordinary measures we are adding to this bill—the repeal of habeas corpus. The great writ of habeas corpus ad subjiciendum, “produce the body before the court,” is the foundation of our legal system of liberties.

I have commented that if I had to live in a country which had habeas corpus but not free elections, or vice versa. I would take habeas corpus every time. It is article I, section 9, of the U.S. Constitution.

The privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion or invasion the public safety may require it.

Nothing in our circumstances requires the suspension of habeas corpus, which is in effect what this provision would do. To require a Federal court to defer to a State court judgment unless the State court’s decision is “unreasonably wrong” will effectively preclude Federal review in these matters. This it seems to me is appalling. It would transform our State courts—not the Federal courts established under article III of the Constitution—into the ultimate arbiters of constitutionality. Very few Senators share that view. We had a vote in this regard last summer. There were eight of us who voted against the Comprehensive Terrorism Prevention Act of 1995, which contained an almost identical habeas corpus provision.

In addition to the other extraneous matter that has been added to this legislation, we also have before us a provision to radically alter the ancient writ of habeas corpus ad subjiciendum. One would have hoped it would be self-evident that the U.S. Congress should not pass a major revision to the Great Writ of Liberty in the form of an amendment to a bill to temporarily extend the Government’s borrowing authority.

Five months ago, I was one of eight Senators to vote against the Comprehensive Terrorism Prevention Act of 1995. I voted against that bill because it contained the same habeas corpus provision that is attached to the legislation before us. For unrelated reasons, the terrorism bill was never enacted, and so we are again presented with this undesirable proposal.

Fortunately, one does not need to be a lawyer to understand why this habeas corpus provision is such an awful idea. Article I, section 9 of the U.S. Constitution provides that:

The Privilege of the Writ of Habeas Corpus shall not be suspended, unless when in Cases of Rebellion or Invasion the public Safety may require it.

For well over a century—since the Habeas Corpus Act of 1867—we have honored the right of State prisoners to challenge in Federal District Court the constitutionality of their imprisonment. The habeas corpus amendment before us departs from that tradition by requiring our Federal courts to defer to State court judgments unless a State court’s application of Federal law is unreasonable. Under this new standard of review, our Federal courts will be powerless to correct State court decisions—even if a State court decision is wrong. The new standard will require deference by the Federal courts unless a State court’s decision is unreasonably wrong. This is a standard that will effectively preclude Federal review.

Senators need not take my word for this, for I have it on the best available legal advice. Last summer, prior to the Senate’s consideration of the terrorism legislation, I received a letter from the Emergency Committee to Save Habeas Corpus, a group of 100 of the Nation’s most distinguished attorneys, scholars, and civic leaders. The co-chairs of the Emergency Committee are four former Attorneys General of the United States, two Republicans and two Democrats. They are Benjamin Civiletti, Edward H. Levi, Nicholas DeB. Katzenbach, and Elliott L. Richardson. They strongly oppose this proposal and have labeled it “extreme.”

This proposal will in many cases transform the State courts—not the Federal courts established under Article III of the U.S. Constitution—into the arbiters of Federal constitutionality. It will eviscerate the writ of habeas corpus, and that is something this Senator in good conscience must again oppose. I need hardly add that the debt limit legislation is obviously the wrong vehicle for such a proposal.

Madam President, I ask unanimous consent that the letter from the Emergency Committee to Save Habeas Corpus, and the list of its members, be printed in the RECORD.

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

EMERGENCY COMMITTEE
TO SAVE HABEAS CORPUS,
Washington, DC, June 1, 1995.

Hon. DANIEL PATRICK MOYNIHAN,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN:

We understand that the Senate may act next week on the habeas corpus provisions in Senator Dole’s terrorism legislation. Among these provisions is a requirement that federal courts must defer to state courts incorrectly applying federal constitutional law, unless it can be said that the state ruling

was “unreasonably” incorrect. This is a variation of past proposals to strip the federal courts of the power to enforce the Constitution when the state court’s interpretation of it, though clearly wrong, had been issued after a “full and fair” hearing.

The Emergency Committee was formed in 1991 to fight this extreme proposal. Our membership consists of both supporters and opponents of the death penalty, Republicans and Democrats, united in the belief that the federal habeas corpus process can be dramatically streamlined without jeopardizing its constitutional core. At a time when proposals to curtail civil liberties in the name of national security are being widely viewed with suspicion, we believe it is vital to ensure that habeas corpus—the means by which all civil liberties are enforced—is not substantively diminished.

The habeas corpus reform bill President Clinton proposed in 1993, drafted in close cooperation with the nation’s district attorneys and state attorneys general, appropriately recognizes this point. It would codify the long-standing principle of independent federal review of constitutional questions, and specifically reject the “full and fair” deference standard.

Independent federal review of state court judgments has existed since the founding of the Republic, whether through writ of error or writ of habeas corpus. It has a proud history of guarding against injustices born of racial prejudice and intolerance, of saving the innocent from imprisonment or execution, and in the process, ensuring the rights of all law-abiding citizens. Independent federal review was endorsed by the committee chaired by Justice Powell on which all subsequent reform proposals have been based, and the Supreme Court itself specifically considered but declined to require deference to the states, in *Wright v. West* in 1992.

We must emphasize that this issue of deference to state rulings has absolutely no bearing on the swift processing of terrorism offenses in the federal system. For federal inmates, the pending habeas reform legislation proposes dramatic procedural reforms but appropriately avoids any curtailment of the federal courts’ power to decide federal constitutional issues. This same framework of reform will produce equally dramatic results in state cases. Cutting back the enforcement of constitutional liberties for people unlawfully held in state custody is neither necessary to habeas reform nor relevant to terrorism.

We are confident that the worthwhile goal of streamlining the review of criminal cases can be accomplished without diminishing constitutional liberties. Please support the continuation of independent federal review of federal constitutional claims through habeas corpus.

Sincerely,

BENJAMIN CIVILETTI,
EDWARD H. LEVI,
NICHOLAS DEB.
KATZENBACH,
ELLIOT L. RICHARDSON.

Mr. MOYNIHAN. Madam President, I ask unanimous consent that the tally on the vote to repeal habeas corpus indicating the eight Senators who voted “no” be printed in the RECORD.

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

Democrats: Feingold, Moseley-Braun, Moynihan, Pell, Simon, and Wellstone.
Republicans: Hatfield and Packwood.

Mr. MOYNIHAN. Madam President, I yield the remainder of my time to our gallant and distinguished sometime

chairman of the Committee on Government Operations, the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. I thank my distinguished colleague from New York. I will be brief because I know the hour is late, but I cannot help but comment on one part of this debt limit bill that came over to us, and that is on regulatory reform.

I am somewhat dismayed, Madam President, to report that the debt limit bill passed by the House contains an amendment by Representative Walker that, if enacted, could end up removing the protections for the American people on health and safety and the environment that have been painstakingly built up over decades. The amendment takes up 13 pages in the CONGRESSIONAL RECORD, new proposals, many of them, sprung on us, being introduced over there, just came out in the RECORD today, not time enough to really analyze these things, and purports to be a regulatory reform bill. It is not regulatory reform. It is regulatory dismantlement. It is regulatory elimination.

The amendment does contain all the buzzwords associated with reg reform like cost-benefit analysis, risk assessment, judicial review and the like. But this amendment is not meant to reform anything. It is, in fact, an extremist approach to regulation. And I do not use that word lightly. It is an extremist approach to regulation that would overturn existing environmental law and tie up in endless litigation the agencies whose missions are to ensure we have clean air, clean water, and safe food.

Madam President, the documented deaths of innocent children and adults from E. coli poisoning that would have been prevented if there had been tough standards and regulation provides stark and deadly evidence of what the stakes are with respect to this issue.

I am in favor of regulatory reform, fought for it, fought for it in committee, fought for it here on the floor, as all my colleagues will remember. And I worked hard in committee and on the floor to get a reasonable regulatory reform bill before the Senate. We passed a reasonable bill out of the Governmental Affairs Committee with more Republican support than Democrats because it was a unanimous vote of our 8-7 committee. And on the floor we almost passed it. It got 48 votes.

But this amendment, the Walker amendment, is not reform. The Walker amendment borrows from the original House bill that many of my colleagues on the other side of the aisle could not stomach either. They did not like it either. It also borrows from the Dole-Johnston bill that we debated for weeks, which is a seriously flawed bill itself. The Walker amendment contains, for instance, a supermandate that the proponents of the Dole-Johnston bill said they were opposed to.

That provision would override existing health, safety, and environmental laws by prohibiting the issuance of health-based standards that may not meet harsh cost tests.

The Walker amendment would make it difficult to issue health-hazard assessments and would create new defenses for lawyers to use to prevent enforcement over Federal health and safety laws.

The Walker amendment would repeal the difficult Delaney clause without providing any appropriate substitute.

Finally, the Walker amendment contains judicial review provisions that are applicable to the detailed procedural steps of the amendment that amount to a lawyer's dream. The lawyers' full-employment bill is what this Walker bill should be called. And anyone concerned about tort reform would find the judicial review procedures in this amendment truly a nightmare.

Madam President, when the Dole-Johnston bill was being debated both privately and on the floor, it was frequently claimed that if the Senate passed a moderate reg reform bill, the House would go along with it in conference. Well, the Walker amendment certainly gives lie to that idea. It gives us a measure of the validity of that claim. The House in this case took a not-so-moderate Senate bill which is seriously flawed in many respects and could not resist turning it into an extremist proposition. I use that word not ill-advisedly. It is an extremist proposition that is riddled with special interest provisions harmful to the American people.

Madam President, I repeat, I want reg reform, but not at the expense of the health and the safety of the American people or of the environment. There is no justification for the Walker amendment, particularly on this particular debt limit bill that is so important. If it survives in the Senate, the President will just have to veto the debt limit bill on this ground alone, and we will fight that battle another day.

I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Madam President, I believe we have used up our time.

The PRESIDING OFFICER. The Senator has 1 minute 43 seconds.

Mr. MOYNIHAN. We will withhold and reserve that for purposes of rebuttal.

Mr. ROTH. I yield 4 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Madam President, I have just had an opportunity to look at the amendment of the good Senator from New York. This is essentially to make moot the entire exercise. He makes moot the shifting of the date to December 12. The language reads, "or * * * the 30th day after the date on which a budget reconciliation bill is presented to the President for his signature * * *"

And then he makes moot the cap in the extension of the debt limit which reads, "\$4,967,000,000,000," but then it says—here is another one of these famous words—"or, if greater, the amount reasonably necessary to meet all current spending requirements of the United States."

You have, in effect, made moot the concept that we would extend it to the 12th, and then we would set a fixed amount and then it would snap back. This is totally unacceptable.

It then proceeds to say bring in the Social Security trust fund, as if this making moot what we are trying to achieve here is necessary to protect the fund.

The extension or the resolution that has come to us from the House specifically sets a date, specifically sets an amount and specifically says that you may not use the trust funds to deal with this issue—protecting.

This is just a totally unacceptable amendment, and I encourage all of our colleagues to oppose it. I think given the circumstances that we are faced with that the date should be specific and the amount should be specific and we should not be moving to this clever technique of adding "or," "except."

There has been a lot of discussion about the cooperation between the Senate and the House and the President over this issue. The President has alluded to the fact we have not cooperated. I just have to say the President has not been here long enough to cooperate. He is getting ready to leave the country right in the midst of this to go to Japan, and then he comes back and turns around and goes to Europe.

This administration is going to have to come to the table and deal with the Congress on balancing the budget, on welfare reform, on the tax policy and on the Medicare questions. I just think he has failed to do so, and I do not believe the amendment of the Senator from New York helps to bring that real collaboration together.

I yield back my time to the Senator from Delaware.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Madam President, I yield such time as I may use.

The temporary debt increase we propose this evening will allow the Treasury to make benefit and interest payments for another month. It will allow the Government to meet its obligations and that, I believe, is the right decision. For that reason, I must oppose the Moynihan amendment.

I oppose the Moynihan amendment because, first, it would strike provisions that would protect the Social Security, Medicare and other trust funds. Not only would it strike those provisions, but it provides discretion, as my distinguished colleague from Georgia pointed out, it provides discretion to the administration to exceed even the temporary debt limit for amounts reasonably necessary to meet current spending requirements.

To sum it up, there is really no dollar limitation under this temporary increase as provided under the Moynihan amendment, nor is it clear as to what period of time it would cover.

Madam President, beyond this, I want to emphasize our legislation would protect the integrity of trust funds, like Social Security and Medicare, by requiring the Treasury to automatically invest FICA receipts.

Further, it would only allow the disinvestment of these trust funds for benefits paid. In other words, the Treasury will not be allowed to use these protected funds to discharge other financial obligations of the Government. In the past, Treasury has allowed these trust funds to be underinvested. This will no longer happen, and our legislation will ensure that Social Security benefits are paid on time. This is important. The right decision is to keep the obligations Government has made. The right decision is to protect the integrity of these trust funds.

The Secretary of the Treasury will not be allowed to sell or redeem securities, obligations or other assets of the trust funds and special accounts during this period. The only exception will be when it is necessary to pay benefits and administrative expenses of the cash benefit programs, and these programs not only include Social Security, but Federal Civil Service and military requirements, as well as unemployment insurance.

Again, these are important contracts Government has made with the people. As an added measure of security for those who depend on these programs, this legislation requires the Secretary of the Treasury to report to Congress and the GAO 3 days before making a sale or redemption of securities from the trust funds or special accounts during this period of debt limitation, and it would also require the GAO to monitor compliance with these provisions and report its findings.

Madam President, we must pass this legislation. We must increase the debt limit on a temporary basis. This is the only way to let the Federal Government continue its smooth operation. It is the only way we can follow through with our historic work of getting a balanced budget without disrupting financial markets.

I point out, there are other provisions included in this legislation, but time does not permit me to speak about each of these at this time. However, because of the importance of these provisions, especially those that restrict the authority of the Secretary of the Treasury to underinvest or to disinvest trust funds, I oppose the amendment of the Senator from New York.

I yield the balance of my time to the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico has 1 minute 30 seconds.

Mr. DOMENICI. Might I inquire, after this time has expired, is there

any time left on other amendments, or are we finished for the evening?

The PRESIDING OFFICER. All time will have expired but for the 1 minute 40 seconds left for the Senator from New York.

Mr. DOMENICI. Madam President, I wanted to talk about the comments of the Secretary of the Treasury today. They bear on what we are talking about here. The Secretary is doing his dead level best to make the markets respond adversely to what is going on in Washington, even though there is no reason for them to do that. I was glad to read in the papers this morning that many of the bond people—those who sell bonds, and the like, in New York City are up to him; they decided that is what he is trying to do—to scare the market into reacting adversely, so that, in turn, he will scare the Republicans so they will not react so tough on the President in terms of insisting that we get a balanced budget and some negotiations out of this President. That is what this is all about.

So now they are going to veto this bill, and the principal reason must be that we are saying you cannot disinvest funds in the Social Security trust fund and in the civil service retirement fund and use that to pay our debt as it comes due. If it is not that, why else were they going to veto the bill that the Finance Committee reported out? The only thing on it of substance was that.

So it seems to me that in saying, "We are going to veto it because it ties our hands," they are acknowledging there is no problem with default. If we do not tie his hands, he has all those other moneys to use to pay the debt, so there will not be a default. So who is he kidding? He is not kidding us. We want them to get serious about negotiating for a balanced budget. That is what he ought to be doing. Instead of planning to close the Government, he ought to be planning with us how to keep it open.

I yield the floor.

Mr. MOYNIHAN. Madam President, to conclude the discussion on this succinct and, I hope persuasive proposal, I plead with my fellow Senators to understand what my friend of so many years, the chairman of the Budget Committee, has just said. The President will veto this measure. He has to do it for the reasons set forth by the Senator from Ohio about regulatory reform, the repeal of habeas corpus, a horrendous measure, and so on. He will veto it, and then we will have a crisis and put in jeopardy the credit worthiness of the United States. The great asset that Alexander Hamilton secured for us in the end of the 18th century will have been squandered for no purpose whatever.

Can we not simply get on with our reconciliation bill, work out these issues there instead of on the debt ceiling? Or do we need a crisis in midweek? Surely, Madam President, we do not.

I plead with the Senate, do not create a crisis. Let us govern as the orderly body that we have been for two centuries. It is far beyond the realm of the imagination what we might do.

I understand the yeas and nays have been ordered.

Mr. ROTH. Madam President, I move to table the Moynihan amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 3053.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA] and the Senator from California [Mrs. BOXER] are necessarily absent.

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 47, as follows:

[Rollcall Vote No. 568 Leg.]

YEAS—49

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Pressler
Brown	Gregg	Roth
Burns	Hatch	Santorum
Campbell	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Coverdell	Inhofe	Snowe
Craig	Jeffords	Stevens
D'Amato	Kassebaum	Thomas
DeWine	Kempthorne	Thompson
Dole	Kyl	Thurmond
Domenici	Lott	Warner
Faircloth	Mack	
Frist	McCain	

NAYS—47

Baucus	Feinstein	Lieberman
Biden	Ford	Mikulski
Bingaman	Glenn	Moseley-Braun
Bradley	Graham	Moynihan
Breaux	Harkin	Murray
Bryan	Heflin	Nunn
Bumpers	Hollings	Pell
Byrd	Inouye	Pryor
Chafee	Johnston	Reid
Cohen	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Simon
Dorgan	Lautenberg	Specter
Exon	Leahy	Wellstone
Feingold	Levin	

NOT VOTING—3

Akaka	Boxer	Lugar
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So the motion to lay on the table the amendment (No. 3053) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. MURRAY. Mr. President, I rise to speak against the pending bill to increase the debt limit.

I think it is fair to say this session of Congress has been as partisan as any in history. We have had a lot of disagreement, and there have been a lot of games. Fortunately, in this Chamber, there have been occasional demonstrations of rational bipartisan consensus. I am pleased when that happens, because it means we are taking care of the peoples' business.

Well, if there is one issue that should be above partisanship, it the Federal debt limit. This issue goes to the very core of our economy.

A couple years ago, I was a housewife and a mother living on the west coast, so I have a pretty good sense of how most people view issues like this. Most of my friends and family know this is a pretty complicated issue. They may not know how to completely explain it, but they do know it makes our economy work. And because of that, we have a responsibility as elected officials to deal with this issue clearly and decisively.

As a member of the Senate Banking Committee, I have listened to the complex issues that affect the ups and downs of our economy. The debt limit issue affects the Treasury Department's ability to buy and sell bonds, to pay interest, and to manage the economy in the most positive direction possible.

Nearly everything that happens on Wall Street, or in the real estate markets, is pegged to Government bond rates. Nearly every low-risk investment portfolio, every adjustable rate mortgage, every savings plan in the country is tied to Government bonds and interest paid on those bonds.

Every single person in this country—from the average working family, to the top-flight stock broker—has an interest in seeing this issue held above partisan bickering, and protected from the kind of political shenanigans we have seen all year long.

We should be considering a straight, clean debt limit extension to keep the economy going, and to allow the Treasury Department to meet its obligations to bond holders. But unfortunately, we are not.

We are considering a Christmas tree, Mr. President. This bill is loaded down with provisions that have nothing to do with Treasury bonds. Everyone on this floor is aware of it.

This bill has reg reform provisions, something the Senate has defeated three times before. It eliminates the Commerce Department, when export promotion is more important than ever. And it changes the law to loosen up death penalty guidelines.

What does any of this have to do with Treasury bonds and the economy? Nothing.

This bill is simply another in a long line designed solely to score partisan political points. It makes a mockery of commonsense; at best, it amounts to political extortion, with an increasingly healthy economy held hostage. At worst, it is reckless endangerment of

the national economy and the household budget.

Mr. President, it is time for us to put aside hot-button political agendas, and start focusing on solving the Nation's problems.

This Senate passed a bill to balance the budget almost 3 weeks ago. And nothing has happened since then. We have had no debate. No conferees have been appointed. No progress has been made. Why? So the majority can back us up against the debt limit, and play an elaborate political game with the President, with the economy at stake.

What happens if we pass this bill? With so much unnecessary baggage attached, this bill will be vetoed. And rightly so, in my opinion. And unless we can get our act together by Monday, the Government will default on its loans for the first time in history.

At the end of the day, the people will feel worse about Congress than ever, and with good reason. All because partisan politicians could not get together to solve problems, but had to play politics instead. It's a pretty sad scenario.

I have heard my colleagues say the Senate is the saucer that cools the cup. Well, we need a little cooling off. We need a clean debt limit extension, and then we need to return to the budget debate. In short, we need to take care of the peoples' business. But with this bill, we are not even close. I yield the floor.

Mrs. FEINSTEIN. Mr. President, I want to address an issue of tremendous importance to our Nation. It does not involve the arcane details of the Federal budget, but does touch directly the lives of every one of our citizens.

Mr. President, it is the issue of personal safety. It is the issue of reducing crime on our streets by imposing swift and appropriately strong punishment on those who prey on our streets.

Last June, I spoke to my colleagues in support of the habeas corpus provisions included in the anti-terrorism bill. I think it is unfortunate that I must say again, five months later, that habeas corpus reform is still needed, now, just as much as it was then, in the immediate aftermath of the tragic and reprehensible bombing in Oklahoma City.

Habeas corpus reform is still needed because our streets are still unsafe and those who commit the most heinous crimes still abuse the court system to prevent their sentences from being carried out.

It is needed because swift punishment—including the death penalty where appropriate—is critical in our efforts to ensure the personal safety of all of our citizens.

It is needed because the deterrent effect of the death penalty is weakened when it cannot be imposed swiftly after a verdict has been reached in a fair trial.

Mr. President, habeas corpus reform is needed because since the death penalty was reinstated in California in 1978, more prisoners on death row have

died of natural causes than have been executed.

Let no one doubt the magnitude of this problem. For example, in California there are currently 428 convicted criminals on death row—that is 18 more than when I last spoke to the Senate on the immediate need for habeas reform.

This problem is not unique to California, however. According to the Administrative Office of the U.S. Courts, during the year ending June 30, 1995, there were 14,637 prisoner petitions for habeas corpus review in U.S. district courts alone. 156 of these cases were death penalty cases.

On June 7, on the same day the Senate overwhelmingly passed habeas corpus reform as part of the anti-terrorism bill, the longest serving member of California's death row population, Andrew E. Robertson, marked the 17th anniversary of his incarceration. Five months later, he still avoids punishment. Mr. President, that is unconscionable.

Another case deserves scrutiny as well. Seventeen years ago, Keith Daniel Williams was convicted of fatally shooting Miguel and Salvadore Vargas and Lourdes Meza in Merced, CA while stealing a \$1,500 check that he and his friends had used to buy a car from Miguel Vargas.

Williams was found guilty of planning the killings and, after shooting the two men, raping Lourdes Meza in the back of the car before shooting her and leaving her naked body in a field.

This vicious killer told a psychiatrist that after one of his accomplices broke down when Williams had ordered him to shoot the woman, Williams intended to kill him, too, but decided not to when, and I quote, "the dude started sniveling and crying."

Keith Daniel Williams admitted killing these three innocent people, but 18 years of courtroom maneuverings have kept this cold-blooded murderer from receiving the punishment he deserves for his horrible crimes.

Just last spring, the 9th U.S. Circuit Court of Appeals said Williams was not denied a fair trial by the actions of his lawyer—who failed to hire a psychiatrist, obtain Williams' medical records or present any favorable evidence at the penalty phase.

Following this decision, his lawyer said he would seek a rehearing before an 11-judge panel and, if that failed to stop the execution, appeal to the U.S. Supreme Court. According to California's Deputy Attorney General, those appeals could take a year to 18 months, even if no new hearings are granted.

A newspaper article on this case published 7-months ago was titled, "Triple Killer a Step Closer to Execution". Mr. President, that final step may take another year. That is just plain wrong.

Sadly, there are many other cases similar to the one I just described and their crimes are among the most horrific imaginable. I will not burden my

colleagues with the gruesome details, but I do believe the Senate, and the American people, need to know of the abuse of the legal system by individuals convicted in courts of law for the most vile and violent crimes and I think it necessary to mention one more example.

Bernard Hamilton murdered a woman—the mother of two boys, one of whom was only 3 weeks old—in San Diego in May 1979. His victim disappeared on her way to class. She was last seen in her van in the parking lot of the school she attended.

Her body was later found with the head and hands removed; they have never been recovered. The body was clothed only in bra, underpants, and socks.

Bernard Hamilton was arrested in Oklahoma in possession of his victim's van and had been using her credit cards. He was convicted of first degree murder for this brutal crime.

After his first State habeas petition was denied he went to Federal court and last year two judges on the 9th Circuit ordered the sentence vacated on a claim that was rejected by six Justices on the California Supreme Court and one dissenting judge on the 9th Circuit.

This cold-blooded killer is now in the midst of a new penalty trial—more than 16 years after the murder.

To add insult to injury, Hamilton represented himself at his penalty retrial and blamed the victim's husband, who never recovered emotionally from the death of his wife before his own death last year.

For the victims of the kind of violent crimes I've just described, justice will not fully have been done until those responsible have been tried, convicted and the death penalty imposed and swiftly carried out.

I am very pleased to say that the habeas provision included in the bill currently under consideration by the Senate is designed to do just that. The habeas corpus provision is identical to those included in the anti-terrorism bill passed the Senate by a vote of 91 to 8 last June, and one I believe which strikes an appropriate balance between the need to assure due process to those convicted of both capital and non-capital crimes and the need of any rational judicial system to bring cases to closure.

Indeed, Mr. President, that is particularly important not only the integrity of our judicial system, but for the victims of capital cases.

Most importantly, Mr. President, this bill provides habeas petitioners with "one bite at the apple." It assures that no one convicted of a capital crime will be barred from seeking habeas relief in Federal court, and appropriately limits second and subsequent habeas appeals to narrow and suitable circumstances.

Furthermore, Mr. President, the bill requires States which provide for counsel that habeas appeals must be filed within 6 months of when a State pris-

oner's conviction becomes final, or in States where standard for the adequacy of counsel are not adopted, such appeals must be filed within 1 year.

Third, Mr. President, time limits are also imposed upon courts. The bill requires that Federal courts must act promptly on habeas appeals and establishes a mechanism by which courts of appeals will screen habeas petitions before they are permitted to go to a Federal District Court for resolution.

Finally, Mr. President, unlike the crime bill proposals that I and the Nation's law enforcement officials opposed two years ago, this bill does not dictate to the States precisely what counsel competency standards are adopted. Rather, it properly provides states with an incentive to formulate their own plans by making expedited time tables I have just described available for states to do so.

Mr. President, the time for habeas corpus reform is long overdue. Too many of our streets are dangerous, too many of our citizens are scared, too many of our courts are clogged with endless, meritless prisoner appeals. I urge my colleagues to support the habeas corpus reform provisions in this bill.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Indiana [Mr. LUGAR], is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. AKAKA], and the Senator from California [Mrs. BOXER], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 47, as follows:

{Rollcall Vote No. 569 Leg.}

YEAS—49

Abraham	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Pressler
Bond	Grams	Roth
Brown	Grassley	Santorum
Burns	Gregg	Shelby
Campbell	Hatch	Simpson
Chafee	Hatfield	Smith
Coats	Helms	Snowe
Cochran	Hutchison	Specter
Coverdell	Inhofe	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kyl	Thompson
DeWine	Lott	Thurmond
Dole	Mack	Warner
Domenici	McCain	
Faircloth	McConnell	

NAYS—47

Baucus	Ford	Levin
Biden	Glenn	Lieberman
Bingaman	Graham	Mikulski
Bradley	Harkin	Moseley-Braun
Breaux	Heflin	Moynihan
Bryan	Hollings	Murray
Bumpers	Inouye	Nunn
Byrd	Jeffords	Pell
Cohen	Johnston	Pryor
Conrad	Kassebaum	Reid
Daschle	Kennedy	Robb
Dodd	Kerrey	Rockefeller
Dorgan	Kerry	Sarbanes
Exon	Kohl	Simon
Feingold	Lautenberg	Wellstone
Feinstein	Leahy	

NOT VOTING—3

Akaka	Boxer	Lugar
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So the bill (H.R. 2586), as amended, was passed.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there will be no more votes this evening. There will be a number of votes on Monday.

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. 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.

UNANIMOUS CONSENT

AGREEMENT—H.R. 2491

Mr. DOLE. Mr. President, I ask unanimous consent that at 10 a.m. on Monday, November 13, the Chair lay before the Senate a message from the House on H.R. 2491, the reconciliation bill.

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

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate then insist on its amendment, agree to the House request for a conference, and prior to the Chair being authorized to appoint conferees on the part of the Senate, that there be four motions to instruct the conferees, which under the statute are limited to 1 hour each, and that the time to be divided: 40 minutes for the offeror of the motion; 20 minutes for Senator DOMENICI or his designee. Those motions are as follows: A motion to instruct regarding Social Security; a motion to instruct regarding health care; a motion to instruct regarding Medicare tax cuts; a motion to instruct regarding nursing standards.

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

Mr. DOLE. Mr. President, I further ask unanimous consent that following disposition of the motion to instruct,