

make the same product and ship it back to America, we will give you a tax break. It is called deferral.

The company that stays here and makes a profit, pays income taxes. The company that leaves here, makes the same product and makes a profit and ships it back here, pays no taxes unless they repatriate the profit. As long as they keep the profit in that foreign plant, they never pay taxes in the United States. That is a loophole that ought to go, a loophole that says if you move jobs outside the country we will give you a tax break. If we cannot close that tax break, we cannot ever close a tax break in the Internal Revenue Service Code.

Although I was unsuccessful in an amendment to close that loophole, I intend to offer it again in coming Congresses, during this Congress and the next Congress, in the hope that one day we can begin to change the laws, both taxes laws and trade laws, that I think augur against the interests of those who invest here, those who build manufacturing plants here, and, yes, those who work in those plants who expect us to have at least the rules of trade and the rules of the Tax Code be fair to American interests.

Mr. President, I thank the Senator from South Carolina for his indulgence, and I thank the Chair.

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. GREGG. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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. GREGG. Are we in morning business, Mr. President?

The PRESIDING OFFICER. We are in morning business.

Mr. GREGG. I ask unanimous consent to proceed then as in morning business for a period of up to 10 minutes.

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

SENDING AMERICAN SOLDIERS TO BOSNIA

Mr. GREGG. Mr. President, as the President tonight begins the process of trying to convince America that we should put American soldiers' lives at risk on the ground in Bosnia, I think it is appropriate to take a look at some of the other foreign policy activities of this administration in the terms of what they represented as being when they originally proposed it and what has occurred in reality.

Probably the most significant example of this administration presenting a policy in one form and having it executed in another form is today being seen in Haiti. When the President decided to go into Haiti—and he did this on a unilateral action, as much as his

policies in Bosnia so far have been unilateral—he stated to us that the purpose of this was to restore democracy, to put back in place the elected leader of a government that had been replaced by a military coup of sorts, and to allow the nation of Haiti to reestablish economic strength and have the capacity to pursue a peaceful and democratic and economically prosperous future.

He told us that our troops would be there briefly and that the cost would not be excessive. I think we need, however, now to take a look at what has actually happened in Haiti, whether or not the policies of the administration as represented have actually come to pass.

First, let us look at the issue of who they have put back in power in Haiti, Mr. Aristide. Has Mr. Aristide turned out to be a democratic individual? I think it would be hard to put that identification on him. He has been an individual who has had a history of being violently anti-American, of being a proponent of Marxist philosophy, of being an individual who has historically proposed the use of violence against his political enemies.

Did he change his way when he was put in as President by us as a nation, using our military? It does not appear he has. In a meeting which took place—it was not a meeting, it was a ceremony of mourning for a person who had been unfortunately killed by violence in Haiti—about a week and half ago, Mr. Aristide called on his supporters to use violence. This is the President of the country, someone who has been put in place by American forces, someone who is protected by American soldiers, calling for the use of violence against the citizens of his country, mob violence against the citizens of his country.

As might be expected, the people of Haiti responded to this call from their President for mob violence with mob violence. It is estimated that many people died, maybe as many as 11; homes were burned, looting occurred, and the streets were on fire. The words that he used to counsel this violence were reported as being, "Go to the neighborhoods where there are big houses and heavy weapons, and retaliate against the big men," inciting the mob to violence. That is the leadership of the individual who we have put the American imprimatur of authority on, who this White House has chosen as their leader in Haiti.

Has he also accepted the fact that elections should occur in December? We are not sure of that. In another recent meeting just a few days ago, there was a nonbinding resolution put forward by his supporters which called on him to remain in office beyond the election for another 3 years. Such action would be inconsistent with, should he undertake it, the constitution, which he is allegedly functioning under in Haiti, which says he cannot succeed himself, and his term is up in February.

What was his response to that nonbinding resolution which was put forward by his own people and which you have to presume he laid a hand in authoring, at least his people did, with his countenance? He said to the delegates, "If you want me for 3 years, I will walk with you. I think what you think," a pretty clear statement that he has no great interest in the elective process or in his own Constitution, which he is allegedly sworn to support.

In addition, of course, the election, which is coming up on December 17, is a fraud and has been made so by President Aristide's party. Four of the five opposition parties have decided not to participate. We know that it is going to essentially be a nonelection election, the purpose of which will be simply a ballot-box-stuffing event for the confirmation of the Aristide party.

The opposition parties have been crushed both through mob violence and through use of a controlled press, and there is very little in the form of what anyone would arguably call democracy occurring in Haiti today. And at what price has this occurred to the American taxpayers and American military?

First off, as I said, we have used our military to basically prop up a dictator in Mr. Aristide. In doing that, we have undermined, in my own estimation, the credibility of American military force, which is not supposed to be used for the purposes of promoting dictatorships but clearly is.

In addition, it is costing us, the taxpayers of this country, approximately \$2.2 billion, or at least that is the best number we can estimate. I think personally that is low, but that is still a lot of money. And \$2.2 billion is all the taxes that are paid by the folks that I represent in New Hampshire in any given year. Somehow I think those folks would have preferred to have their money go to better schools or better environment or better roads somewhere in our country, than to go into the coffers of Mr. Aristide in Haiti.

What has that \$2 billion purchased the people of Haiti? It has purchased them Mr. Aristide back in power, that is correct, but not a great deal more. In fact, as a result of the policies of this administration, we put in place sanctions, which was a mistake to begin with, as I said earlier, when they were put in place, sanctions which ended up terminating essentially the private sector in Haiti. The loss of jobs was dramatic; tens of thousands of jobs which were in the private sector which existed in Haiti were lost as a result of the sanctions.

Have we seen those jobs restored? Has there been a return to democracy, to a market economy in Haiti? Has there been any expansion of the private sector in Haiti? Marginal at best. In fact, Mr. Aristide, who prior to being put back in power as a celeb in residence of this administration when he was here in Georgetown, stated rather aggressively his views that he believed

in a socialist approach to government and since being the President has refused to privatize a number of the state-controlled activities which it was understood he was going to privatize as part of getting the economy going again. And so not only were the jobs lost, and they have not been re-created, as a result of the sanctions, we are seeing an administration in Haiti which has accomplished very little in the effort to create a market force in Haiti. So all in all, it is not a great success story.

But what is really of significant concern—even I think should be of concern for the American people as we go down the road toward the Bosnian debate—is the gap between what was represented was going to happen and what was represented would be and what has occurred, the gap between how Mr. Aristide was defined by this administration and who he really is, which is dramatic, the gap between what then was told to us was going to cost us and what it eventually has cost us, the fact that we may have American soldiers on the ground there well past February when we are supposed to have them out, another example.

And so, as we move down the road on the decision on Bosnia, I think the American people have the right to ask the serious and difficult questions of this administration and to be a little suspicious of the answers and presentations as to what this administration's views and decisions are in Bosnia.

We just recently read—I did not read it, but we heard synopses of a book published by Robert McNamara, who was the Secretary of Defense under John Kennedy and under Lyndon Johnson, and who now states rather openly that he knew the war in Vietnam was wrong, that it was a mistake from a public policy standpoint, but that because of the need to protect, basically, the political position and ego of the Presidency, they continued to pursue the war in Vietnam—truly one of the more disconcerting revelations to come forward from a leader of this country, certainly in this half century, but I suspect a very accurate one.

Maybe we should put a new term in the American language called "McNamaranism." That is when you pursue a policy which you know is substantively wrong but you pursue it because of the political need or the need of the ego or the need of the presentation of the Presidency to the people. You pursue it not because you know it is right substantively, not because you know it is going to correct a problem which you think is there, but because you know, as a member of the policymaker at the highest level in Government, that if you do not pursue it, you are going to put at risk the President's imprimatur of authority, his personal leadership role or his reelection efforts.

McNamaranism—I think that is a term that we should start with and we should identify. Clearly,

McNamaranism occurred in the early sixties. I think a form of McNamaranism has occurred in Haiti. We pursued a policy in Haiti not because we knew we were going to correct that country. We knew that country was going to continue to have serious economic problems and serious political problems no matter what we did, because it has had those problems a long time and we do not have the wherewithal to change that culture unless we are willing to essentially take that country over and dominate it for years, something we tried to do from 1919 to 1935 and failed to do during that period. So we know it will take longer than that length of time, which is when we last occupied that country.

But we went into Haiti because this administration had a political need to go into Haiti, to be quite blunt. There were certain forces within the constituency which support this Presidency who demanded unequivocally that we go into Haiti, and they were effective in making their case. So it was a political decision to go into Haiti, even though substantively we knew we were not going to correct the situation, and we are now seeing the result of that.

McNamaranism struck us in Haiti. Let us hope that McNamaranism does not strike us in Bosnia.

Mr. President, I yield back my time.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

PEACE IN BOSNIA AND DEPLOYMENT OF UNITED STATES MILITARY FORCES TO IMPLEMENT THE PEACE

Mr. THURMOND. Mr. President, on Tuesday, November 21, the Presidents of Bosnia, Croatia, and Serbia initialed a peace plan to end the fighting in Bosnia. The peace plan, if implemented and enforced by the parties would result in Bosnia being governed by two entities, the Moslem-Croat Federation, which would have jurisdiction over 51 percent of the territory, and the Serb Republic, which would have jurisdiction over 49 percent of the territory. Sarajevo will remain a united capital, which would fall within the territory of the Moslem-Croat Federation, along with its Serbian-held suburbs.

On Wednesday, the U.N. Security Council voted to lift economic sanctions against Serbia and Montenegro, and also to lift the arms embargo against Bosnia and the other Yugoslavia Republics. The lifting of sanctions will only take place after the peace agreement is signed in Paris and Bosnian Serb military forces are redeployed behind a zone of separation.

The Presidents of Bosnia, Croatia, and Serbia followed up the initialing of the peace plan in Dayton by forwarding identical letters to President Clinton vowing the support of their governments to the implementation and enforcement of the peace agreement and

guaranteeing the security of NATO peacekeeping troops.

However, not less than a week after Balkan leaders initialed this peace agreement, the Bosnian Serbs, led by Radovan Karadzic have demanded the renegotiation of the provisions regarding the future of Sarajevo. While in Sarajevo, Serbs residents are protesting the peace agreement that would place their neighborhoods under the control of the Moslem-Croat Federation. Along the Dalmation Coast, Croats are protesting the turnover of land in exchange for land along a Posavina corridor that would provide better security. Moslem-led Bosnian army soldiers entered a United Nations base in the Bihac enclave, manned by Bangladeshi peacekeepers and took equipment, including vehicles. There were also reports that Croat forces were burning and looting homes in northwestern Bosnia that is scheduled to be turned over to the Serb Republic.

Mr. President, on November 8, the House and Senate leadership met with President Clinton to discuss the situation in Bosnia and the status of the negotiations in Dayton. At that time, I advised the President that I felt he had not convinced the American public, nor the Congress, that it was in the national interests of the United States to deploy United States military forces to implement or enforce the Bosnia peace agreement. I also advised the President that convincing the American public and Congress rested on his shoulders—the President needs to come before the American public and make his case.

The President has not yet convinced the American public, nor the Congress, that the United States has an interest in securing, or ensuring, the implementation or enforcement of a peace agreement in Bosnia. He has not convinced the American public or Congress that European nations in the region where the fighting has taken place, and who would be directly affected if the fighting were to cross the borders of Yugoslavia, need the support of United States military forces.

As a world leader, the United States should exercise its leadership by asking the European Community why it does not view it to be their responsibility to secure, or ensure a lasting peace in Bosnia; if necessary, why they do not employ the necessary military forces, as President Clinton has pledged to do, to implement the peace agreement.

I respect the constitutional prerogatives of the President, as Commander in Chief, to exercise his authority to deploy U.S. military forces. However, the Congress has a constitutional responsibility to balance his check. As a Senator and the chairman of the Senate Armed Services Committee, I have a responsibility to ensure that a thorough and public national debate takes place.

I support the North Atlantic Alliance and believe that the United States should remain engaged in, and show leadership in NATO. I believe that the