group of temporary, part-time workers. The truth, however, is that more than 70 percent of all minimum wage earners are adults over 19 years of age and the vast majority—58 percent—are women. Clearly, these are hard-working individuals trying to make a living and support a family on a wage that fails to allow them to even meet the poverty standard, let alone surpass it.

At a time when salaries of CEO's of major companies have increased by more than 20 percent and the congressional leadership is talking about giving tax breaks to some of the most well-off in our Nation, I find it completely unreasonable that an attempt to increase this basic standard for the working poor would be resisted.

Some argue that the economy cannot afford an increase in the minimum wage; that an increase in the minimum wage would ultimately rob the economy of jobs and income as businesses would be forced to pay fewer workers more. This is simply not true. A close review of recent evidence clearly demonstrates that a reasonable increase in the minimum wage does not result in huge job losses. A frequently cited 1992 study in which Princeton economists David Card and Alan Krueger examined the effects of a minimum wage increase in New Jersey found ''no evidence'' that a rise in New Jersey's minimum wage reduced employment opportunity. In fact, just the opposite was true. In comparing employment trends in New Jersey with those in Pennsylvania, Card and Krueger found the employment trends to be stronger in New Jersey, the State with the higher minimum wage. Similarly, Harvard economist Richard Freeman found in his 1994 study that ''moderate legislated increases did not reduce employment and were, if anything, associated with higher employment in some locales.''

Mr. President, it is clear that the American economy cannot only afford a reasonable rise in the minimum wage, but could actually benefit from such an increase. In fact, it stands to reason that more money in the pocket of the American worker means that more money is being spent and purchasing power is increased. The minimum wage proposal now before us would give the American worker an additional $1,872 in annual income. In Maryland alone, it would mean an increase in income for more than 131,000 workers. It may not sound like much to some in this Chamber, but it can make all the difference to a family struggling to heat their home, pay for groceries, or provide adequate health care for their children.

While economic considerations are an important aspect of this debate, neglecting to recognize the fundamental value of ensuring a living wage for American workers would compromise principles I believe to be integral to the fabric of our society. Historically, Congress has acted to guarantee minimum standards of decency for working Americans. Measures to protect workers from unsafe and unfair working conditions were enacted under the belief that, as a society, we should support a basic standard of living for all Americans. It is in this spirit that minimum wage laws have been updated through the years.

As long as we in Congress fail to act, we send the message to working families across the country that hard work and sound living are not enough. Nearly two-thirds of minimum wage earners are adults who are struggling to achieve a decent standard of living for themselves and their families. The objective of the minimum wage is to make work pay well enough to keep families out of poverty and off Government assistance. An hourly rate of $4.25 is not enough to cover the average living expenses of a family of three. It is unthinkable that in what is arguably the wealthiest Nation in the world, there are families out there right now having to choose between food for their children and heat for their homes. If a family of three can barely get by on $4.25 an hour, how can a single mother—trying to stay off welfare—be expected to be able to provide food, clothing, shelter, medical care and child care on the current minimum wage? Instead of maintaining barriers to self-sufficiency, we should be helping to tear them down.

Mr. President, Americans want to work. They want to be able to adequately provide for themselves and their families. But they are working harder for less and are becoming increasingly frustrated in the process. It is critical that we recognize the reality of minimum wage earners and take steps to help them rise above poverty. President Roosevelt once called for ''a fair day's pay for a fair day's work.'' The American worker deserves no less. Many of those who supported the minimum wage increase in 1989 are here today and I would urge them to join me in calling for vote on this important measure.

UNITED STATES/FRANCE AVIATION RELATIONS

Mr. PRESSLER. Mr. President, I rise today to discuss the important issue of United States aviation relations with the Government of France. Although the immediate crisis concerning the upcoming schedule for the summer season apparently has been resolved, I remain very concerned about the state of U.S./French aviation relations.

As a result of France's decision in 1992 to renounce the bilateral aviation agreement that existed between our two countries, France currently is our only major aviation trading partner with whom we do not have an air service agreement. In the absence of such an agreement, U.S. and French carriers continue to fly between our two countries, but they do so solely at the pleasure of each government and without the necessary flexibility to increase or change service when market demand warrants. Essentially, U.S./French air service is frozen as if the clock stopped in 1992.

In a speech before the International Aviation Club of Washington last month, I spoke at some length about the fires of air service liberalization burning brightly on the European continent. In hailing the enormously important U.S./German open skies agreement signed several weeks ago, I noted that nearly 40 percent of U.S. travel to Europe will now go to or connect through open skies markets. I ask unanimous consent that the text of the speech to which I referred be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. PRESSLER. Although this wave of air service liberalization touches France on three of its borders, France stands seemingly oblivious to the competitive air service forces besieging it. The fact of the matter is while its European neighbors are reaching out to embrace the future of global aviation with the enlightened view that the economic benefits of an open skies relationship with the United States are a two-way street, France continues to cling to the past. This choice is not without significant adverse consequences for France's economy.

So what precisely is France's air service policy with respect to the United States? It appears that policy can be best described as ''managed stagnation.'' In an attempt to rebalance the market share of state-owned Air France vis-a-vis the highly competitive U.S. carriers, France has made the unfortunate decision to forego the tremendous air service growth other European countries are experiencing in their air service relationships with the United States. Ironically, some of the lucrative new air service opportunities European countries now enjoy are the direct result of traffic that France's restrictive air service policy has driven away to other countries.

According to a recent statement by Anne-Marie Idrac, the French State Secretary for Transport, France ''is not any worse off'' for its decision to renounce the U.S./French air service agreement. Economic analysis, however, paints a far different—and quite sobering—picture. In fact, this analysis shows France's policy of managed stagnation is a recipe with a very bad aftertaste for the French economy. Let me explain.

First, the adverse economic consequences of France's air service policy is best illustrated by a comparison with the recent experiences of the Netherlands. In 1991, both the U.S./French and U.S./Dutch air service markets experienced tremendous growth. Scheduled passenger traffic grew 21 percent and 14 percent respectively. In 1992, however, aviation relations with France and the Netherlands turned abruptly in opposite directions. Around the same time France renounced the U.S./French bilateral aviation agreement, the Netherlands opted to enter into an open skies agreement with the United States.

What has resulted from these decisions? The U.S./Netherlands passenger market has grown at a rate over 10 times faster than the U.S./French market. Between 1992 and 1994, scheduled passenger service between the United States and the Netherlands grew 38 percent. In stark contrast, France's decision to renounce the U.S. air service agreement caused passenger growth in the U.S./French market to abruptly halt. Scheduled passenger traffic in the U.S./French market grew a measly 3 percent during that period, compared to 21 percent in 1991 the year immediately prior to renunciation.

The net effect of these vastly different policies also is illustrated dramatically by the aggregate size of both country's passenger market with the United States. In 1991, the U.S./French passenger market was 100 percent larger than the U.S./Dutch market. By 1994, it was just 60 percent larger. What a difference two air service policies with the United States can make!

Importantly, this trend of France foregoing tremendous air service opportunities is reflected elsewhere in Europe as well. For instance, between 1992 and 1994 scheduled passenger traffic between the United States and Switzerland grew 30 percent—ten times faster than it did in the French market. Amazingly, this tremendous growth does not reflect the U.S./Switzerland open skies accord signed last year. As was the case in the Netherlands, the U.S./Switzerland open skies agreement will likely cause that rate of growth to accelerate. The more mature U.S./British air service market also experienced strong growth—10 percent—during this same period.

Unquestionably, France has succeeded at stagnating the U.S./French passenger service market at a time when new transatlantic air service opportunities for European countries with the United States abound.

Second, at a time when revenue from connecting passenger traffic is increasingly important, France's air service policy is drying up U.S. connecting traffic at Paris' two key international gateway airports, Paris-Charles de Gaulle and Orly. Between 1992 and 1994, connecting traffic carried on U.S. airlines fell 55 percent at the Paris airports. Let me repeat this astonishing fact. Connecting traffic carried on U.S. airlines fell 55 percent at the Paris airports between 1992 and 1994.

Where did this connecting traffic go? One need look no further than competing airports on the European continent. During the same period, U.S. airline connecting traffic grew 24 percent at Frankfurt and an astounding 329 percent at Amsterdam's Schipol Airport! The recent U.S./German open skies agreement, as well as open skies agreements the United States signed last year with neighboring countries including Belgium and Switzerland, will surely cause the rate of ongoing connecting passenger traffic diversion away from Paris airports to accelerate. In particular, I fully expect German airports will press France hard in this competition for connecting passenger traffic.

Third, Air France, the intended beneficiary of France's decision to renounce the U.S./French air service agreement, has on-balance suffered as a result of France's policy of managed stagnation.

It is true that state-owned Air France has increased its share of the U.S./French market from 29 percent in 1992 to 37 percent in late 1995. However, this rebalancing of market share, which in large part resulted from U.S. carriers routing connecting passengers to international gateway airports in other continental European countries, has come at an inordinately high price.

As a direct result of France's decision to tear up its air service agreement with the United States, Air France is isolated as the only major European carrier that does not have an alliance with a U.S. carrier. Quite correctly in my view, our Department of Transportation has indicated it will not approve any code-sharing alliance between Air France and a U.S. carrier until France agrees to enter into a sufficiently liberal air service agreement with the United States.

What is the practical consequence for Air France? Every major European carrier has access to feed traffic from the very lucrative U.S. domestic market except Air France. To make matters worse for Air France, if the United Airlines and Delta Air Lines alliances with European carriers are granted antitrust immunity, in combination with the Northwest/KLM alliance, nearly 50 percent of passenger traffic between the United States and Europe will be carried on fully integrated alliances. Without a doubt, France's air service policy with the United States has placed Air France at a severe competitive disadvantage in the transatlantic and connecting service markets.

A recent paper by the Commission of the European Communities on U.S./E.C. aviation relations made this point well. According to the E.C., ''the commercial advantages of strategic alliances are such that it will be difficult for a major European carrier with the ambition to become (or remain) a global player, not to enter into an alliance with a U.S. partner.'' The E.C. is absolutely correct. France's decision to continue to forgo an air service agreement with the United States is threatening Air France's long-term future as a global player.

Mr. President, France's aviation policy with the United States is not only inconsistent with the trend of air service liberalization sweeping Europe, it also is badly out of step with France's own domestic air service policy. Earlier this year, France opened its skies to domestic competition thereby ending the virtual monopoly of Air Inter, the domestic wing of Air France. This forward looking domestic policy came about because France realized it needed to better position Air Inter to compete next year in the deregulated intra-European air service market.

Unfortunately, France has failed to apply this same vision to its air service policy with the United States. In marked contrast, France continues to cling to the past and it uses government restrictions to protect Air France from competition in the increasingly liberalized transatlantic market.

The huge economic costs the French economy is bearing as a direct result of France's misguided air service policy with the United States reminds me of an editorial I read earlier this year shortly after Thailand abandoned its economically disastrous experiment with renunciation of its air service agreement with the United States. That January 26, 1996, editorial from the Bangkok Post astutely called Thailand's decision to renew formal aviation relations with the United States ''a victory for common sense.''

Let me add Thailand's decision was also a victory for forward looking economic policy. In condemning the economic folly of Thailand's failed experiment, the Bangkok Post added ''every airline that comes here or increases its frequency is investing more in the country, providing more jobs, bringing more tourists. Restricting those operations necessarily has the reverse effect.'' I ask unanimous consent that the text of the editorial from the Bangkok Post to which I have referred be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. PRESSLER. Mr. President, let me conclude by saying I hope France will recognize its air service policy with the United States is an economic failure that is exacting a very high cost in terms of lost jobs and other commercial opportunities. To remedy this situation, I hope France will renew its formal aviation relations with the United States by agreeing to a liberal air service agreement. As the Commission of the European Communities recent study on EC/US aviation relations recently warned, countries such as France with a restrictive air service policy place themselves at great economic risk as the wave of air service liberalization continues to sweep across Europe.

EXHIBIT 1

REMARKS OF SENATOR LARRY PRESSLER, BEFORE THE INTERNATIONAL AVIATION CLUB OF WASHINGTON, DC, FEBRUARY 14, 1996

Bruce, thank you for your kind introduction. I am pleased to join the long list of outstanding speakers who have been privileged to share their views on international aviation policy with this distinguished group.

Let me also thank the distinguished individuals who graciously accepted invitations to join me at the head table today. My friend

Ambassador Chrobog and I met through our mutual love of opera. We also share a belief that the economic benefits of liberalized trade between nations is a two-way street. Mr. Ambassador, I am pleased that our two nations are on the brink of signing an open skies agreement of truly historic magnitude. Such an agreement will be momentous for both nations and will be a catalyst for fully liberalizing the enormous U.S./E.U. air service market. In pursuing this initiative, I believe Germany is providing outstanding leadership for all of its European Union partners.

Carol and Charlie, I am also pleased you are able to be here today. Carol and I share a common challenge. We each are trying to make U.S. air carriers realize that good things can happen to them when they work together as an industry. Robust competition and long-term economic vision need not be mutually exclusive. In fact, I would argue they can, and indeed should, go hand-in-hand. Charlie, as you will unfortunately experience firsthand, much work remains to be done in this regard.

For Valentines Day I had considered making sugar-coated remarks extolling the numerous benefits of a U.S./German open skies agreement. I decided, however, to save that speech for another day. The bitter sweet reality of U.S. international aviation policy is that every step taken—even major leaps forward such as a possible U.S./Germany open skies agreement—is met by parochial infighting among our carriers. Regrettably, I fully expect efforts to finalize the U.S./German open skies agreement will not escape this plague.

Let me say that I firmly believe pernicious infighting among our carriers is the single greatest barrier to the United States' efforts to open and expand global air service markets for U.S. carriers. It is a sad story which is played out time and time again.

As leaders in the aviation community, I come to you today with a challenge. I challenge you to broaden your vision of the significance of new international air service opportunities for our carriers. To me, these opportunities conjure up images of tremendous trade benefits which buoy the U.S. economy. I see significant economic benefits derived by our airline industry and aircraft manufacturers. I think of consumers benefiting by enhanced choice and competitive prices. I also see new jobs for American workers and new commercial opportunities for our States and communities.

I urge you to have the vision to look beyond which carrier has positioned itself to benefit most from new international air service opportunities. Simply put, I challenge you to make your focus the American flag on the tail of airplanes providing new service opportunities, not the name on the side of the plane.

With that challenge in mind, let me now turn to my specific remarks. Today I want to focus on exciting developments and old challenges in Europe. Of course, I speak of Germany and the United Kingdom respectively. However, since your last three speakers discussed U.S./Japan aviation relations—a subject in which I have a very keen interest—I cannot resist making a few points.

First, I am deeply troubled the Government of Japan continues to refuse to respect the beyond rights of our so-called 1952 carriers. Those rights are guaranteed by the U.S./Japan air service agreement. International agreements between countries are sacred trusts and nothing short of full compliance is acceptable.

Second, I am also very concerned about the Kyoto Forum which the Japanese organized recently. By excluding the United States and other Western country members of APEC, I believe the Government of Japan acted contrary to the spirit and intent of the Bogor Declaration.

Third, the Government of Japan's appeal for the United States to ''equalize'' aviation opportunities between our countries is misdirected. Market forces, not the U.S./Japan air service agreement, has tilted transpacific market share advantage in favor of U.S. carriers.

As I have said in the Senate numerous times, the disparity in transpacific market share is due to the fact that Japanese carriers—which labor under heavy government regulation—cannot compete with our more efficient carriers whose operating costs are substantially lower than their Japanese counterparts. If equality of transpacific market share is what the Government of Japan seeks, it should look no further than to itself to take steps which will enable Japanese carriers to compete more effectively with U.S. carriers. It is critical we not forget that just 10 years ago, under the very same bilateral agreement that the Government of Japan now criticizes, Japanese carriers had a larger market share on transpacific routes than U.S. competitors.

Fourth, complaints by the Government of Japan regarding the limited Fifth Freedom opportunities of our carriers must be put in proper context by considering the enormous offsetting Sixth Freedom opportunities Japanese carriers are exploiting between the Asia-Pacific market and the United States. Viewed from this perspective, Japan's criticism is without merit. In fact, I regard it as somewhat remarkable when one considers it comes from a major trading partner with whom the United States has a trade deficit of more than $65 billion!

Finally, in a floor speech on October 27th, I called on our so-called MOU carriers to come forward with economic analysis supporting their position that the cornerstone of our negotiating strategy with Japan should be to trade away the beyond rights of our 1952 carriers. Having seen no such study, today I renew my call for the MOU carriers to make their case with numbers, not rhetoric. I find it a bit odd that MOU carriers who criticize DOT for not doing adequate prenegotiation economic analysis are now pushing DOT to rush into passenger talks, even though these carriers have yet to provide economic analysis which supports their position.

Turning to Europe, let me first say that if the identity of the author of Primary Colors is the best kept secret in Washington, my support for an open skies agreement with Germany is one of the worst. I am delighted Secretary Peña and German Transport Minister Wissmann have agreed on the framework for an open skies agreement between our countries. I am also pleased a formal round of talks will be held in Washington next week to iron out textual details. I enthusiastically support swift completion of a formal U.S./German open skies agreement.

How is it that a U.S./German open skies agreement is within reach? Secretary Peña had the vision to recognize that competition is always the best ally to open restrictive markets. He built on the vision that President Bush and the Dutch government both showed when the United States and the Netherlands signed an open skies agreement in 1992. At that time, it was a very bold move, one for which Jeff Shane, who is here today, should be commended.

Jeff created a model on the European continent by which all neighboring countries could see firsthand the tremendous economic benefits that are produced by a liberalized aviation relationship with the United States. Last year, Secretary Peña built on that foundation with the nine European country open skies initiative. Then, he reached out to our excellent friend and great trading partner, Germany.

The timing could not have been better. Minister Wissmann—himself a man of great vision—recognized the time was right to secure for the German economy and German consumers the great benefits that unquestionably would result from an open skies agreement with the United States. As I said earlier, in pursuing this initiative, Germany has provided outstanding leadership for its partners in the European Union.

Before I discuss why I believe this tide of liberalization will reach the shores of the United Kingdom, let me address an issue that has come to my attention recently regarding the framework of the U.S./German open skies agreement.

I understand a question has been raised about the timing of when the U.S./German open skies agreement would take full force relative to a final decision on an application for antitrust immunity which is expected to be filed by the United Airlines/Lufthansa alliance. I do not consider this to be a problem. I have total confidence in Secretary Peña's ability to fully and fairly discharge his statutory duty in considering that application when it is filed, regardless of when the agreement goes into effect. I feel compelled to add I am somewhat mystified that some of our carriers continue to sell Secretary Peña so short, at the same time they reap the benefits from his excellent leadership in international aviation policy.

Last week in London, Malcolm Rifkind, the U.K. Secretary of State for Foreign and Commonwealth Affairs, gave a very important speech in which he advocated nothing less than transatlantic free trade. He called for ''political will and vision'' to bring this goal about. Pledging that ''Britain will be a champion of greater economic liberalization across the Atlantic,'' Minister Rifkind noted the United Kingdom has been leading the way and said Britain would continue to do so.

The United Kingdom deserves great credit as a shining beacon for liberalizing trade in the U.S./E.U. market generally. However, its policy in the area of transatlantic air services is far out of step with the principles of free trade.

Let me share two truly remarkable facts which dramatically make my point. Last year, British Airways had a larger share of the U.S./U.K. passenger market than all U.S. carriers combined! Also, data shows that in terms of U.S./U.K. market share, two of the top three carriers are British airlines! Without question, market forces are not controlling the distribution of air service opportunities between the United States and Britain.

How will competitive forces unleashed by a U.S./German open skies agreement pressure Britain to reassess its outdated aviation policy which tarnishes an otherwise very impressive record on liberalizing transatlantic trade? The answer lies at two levels: heightened competition by continental European airports for connecting passenger traffic and enhanced competition by U.S. carrier alliances against British airlines.

London always will be a popular destination for passengers originating in the United States. That is not to say, however, that in this era of global networks, connecting passengers will continue to feel a compelling need to use Heathrow rather than airports such as Amsterdam's Schipol, Frankfurt or the new one planned at Berlin-Brandenburg. Connecting passengers look for convenient schedules and competitive fares. Due to the lack of European gateway opportunities, Heathrow once was the connecting airport of necessity, not choice, for passengers originating in the United States. Times have changed.

Liberalization of air service markets on the European continent have created new connecting service options. Evidence already clearly shows connecting traffic is being diverted away from London. Statistics dramatically illustrate this point. Between 1992 and 1994, connecting traffic carried on U.S. airlines grew just 3 percent at Heathrow. During the same period, U.S. connecting traffic grew 24 percent at Frankfurt and an astounding 329 percent at Schipol! An open skies agreement with Germany will greatly accelerate the rate of this connecting passenger diversion.

These statistics are very interesting but should they matter to a British policymaker? Absolutely. This trend should raise serious concerns considering that last year alone connecting traffic accounted for more than 1 billion pounds of export earnings for the United Kingdom.

A U.S./German open skies agreement will also make U.S. alliances with European carriers even more formidable competitors in the U.S./Europe air service market. This will not be a welcome development for British carriers. If the United and Delta alliances are granted antitrust immunity, in combination with the Northwest alliance, nearly 50 percent of passenger traffic between the United States and Europe will be carried on fully integrated alliances.

Will this pose a competitive challenge for British carriers? Investors in British Airways sure thought so. According to a Financial Times article last week, despite a quarterly pre-tax profit of 30 percent, British Airways shares fell on the news of the ''preliminary 'open skies' deal struck between Germany and the U.S.'' British Airways' public attack on antitrust immunity last month at an ABA conference also is very telling on this point. Privately, British Airways has made no secret they very much covet antitrust immunity for their alliance with USAir.

So where do we go from here? I think U.S./U.K. negotiations should resume, but not on the terms of the October offer which was highly conditioned and essentially allowed the British to pick which U.S. carriers competed against British carriers in what markets. Instead, I encourage the British to come to the table with a ''bigger, bolder and braver'' approach like Sir Colin Marshall, Chairman of British Airways, called for last November.

First, to help clear the way for more ambitious negotiations, I am announcing today that I plan to introduce legislation to increase to 49 percent the level of permissible foreign investment in U.S. airlines. I am already working with the Administration to determine a formulation to maximize the benefits of this tool. One thing is certain, the limited, highly conditioned October offer would not trigger the benefits of the bill I intend to introduce.

Second, I am also calling today for U.S. carriers to stop being ''pennywise and pound foolish'' with respect to Fly America traffic. As a taxpayer, I want the U.S. government to pay the most competitive price for government travel. As a policymaker, I find nothing in the legislative history of the Fly America statute even suggesting Congress intended to guarantee U.S. carriers a monopoly profit for government travel. I see no good reason the opportunity for British carriers to competitively bid through their U.S. carrier partners for Fly America traffic should not be on the table if British negotiators pursue a ''bigger, bolder and braver'' approach.

Third, as far as Heathrow access is concerned, I call on the British to muster up the ''political will and vision'' Minister Rifkind spoke of to change the runway operations at Heathrow. On this side of the Atlantic, we are constantly told by the British Ministry of Transport that additional Heathrow access is impossible because there are no additional take-off and landing slots. What the British fail to tell us is a number of U.K. airport capacity studies, including one issued as recently as August 1994, have concluded the British could potentially create an additional 100 daily takeoff slots and an additional 100 daily departure slots at Heathrow if they switched its runways to more efficient mixed-mode operations.

I am keenly aware this is a sensitive political issue for the British government. Not long after I suggested this last July in London, I received a letter from the Heathrow Noise Coalition politely telling me to mind my own business. One thing is clear, however, the British do not have a monopoly on political problems relating to Heathrow. I need not tell this audience that Heathrow access is a hot button political issue in the United States and, quite frankly, an issue that is straining relations between our two countries.

Let me close by saying an open skies agreement with Germany unquestionably would be the product of vision by both countries. I hope the same long-term economic vision will prevail in our aviation relations with the Japanese and the British. Again, thank you for the opportunity to join you today.

EXHIBIT 2

[From the Bangkok Post, Fri, Jan. 26, 1996]

U.S.-THAI AVIATION DEAL A VICTORY FOR COMMON SENSE

After five years of going eyeball to eyeball, the US and Thailand finally concluded an aviation agreement last January 19. Who blinked first? By all indications, Thailand. It had to, the policy of getting US airlines to reduce their frequencies between Northeast Asia and Thailand was working so brilliantly that it had to be scrapped and reversed. After all, Delta had pulled out of Thailand, both Northwest and United Airlines had reduced their frequencies. Lest anyone forget, that was the original intention for scrapping the agreement in November 1990. When the impact of that hit the tourism industry between the eyes, the backlash was instantaneous. In barely four rounds of informal and formal talks, an agreement materialized where about seven previous rounds had all failed.

There are many reasons for this agreement, and the speed at which it was pursued. But most important among them is that it risked becoming a serious political liability for Thailand's aviation negotiators who were running out of reasons for maintaining their hardline stand. The blast from the Association of Thai Travel Agents and its independent study on the aviation industry was one facet of the mounting pressure. Then there was all this talk of open-skies and aviation liberalization being pursued under the ASEAN and APEC umbrellas.

Thailand was being increasingly isolated as the US patched up its aviation differences, one by one, with other Asian and European countries. On the cargo front, the US-Filipino aviation agreement had opened a window of opportunity for Federal Express to develop Subic Bay as a regional cargo hub, a move that would leave Thailand's own Global Transpak project wallowing in the water. The American Society of Travel Agents annual convention is to be held in Bangkok in November, bringing 10,000 agents who would wonder how they are supposed to promote tourism to Thailand when the tourists can't fly here.

Moreover, the void was preventing the full consummation of the United Airlines-Thai International alliance. Both of Thailand's key aviation negotiators, the director-general of the aviation department and the permanent secretary of the ministry of communications, sit on THAI's board. By continuing to stall on the agreement, they were effectively hampering the progress of THAI. And soon coming to town as keynote speaker of the PATA conference in April is Garry Greenwald, the chairman of United Airlines who, lest anyone forget, recently tongue-lashed Japan's restrictive aviation policy and who would have no doubt have delivered a similar riposte at Thailand's had an agreement not been reached by then.

There was simply no way that Thailand could have won this battle. But neither is this agreement a victory for the United States. It is a victory for public pressure and the power of the Thai tourism, industry, especially groupings like the Association of Thai Travel Agents and people like Anant Sirisant who had the gumption to stand up and be counted, at considerable risk to himself and his own company, the East-West Group. While many other operators serve on committees and use their positions for personal aggrandizement, Mr. Anant stuck his neck out, and won.

Several months ago, this newspaper, too, called Thai aviation policy, ''a national outrage.'' Suddenly, things began moving.

It has been said before, and it needs to be said again, global aviation is administered by archaic and backward 50-year-old rules that governments are having extreme difficult dismantling. There is no logical explanation for the structure any more; it's just the way it's done, especially in the absence of an alternative. Every country has to take its own course of action. In Thailand's case, every airline that comes here or increases its frequency is investing more in the country, providing more jobs, bringing more tourists. Restricting those operations necessarily has the reverse effect.

Foreign airlines serving Bangkok now need to forge stronger relationships with Thai hotels and tour operators, work with them, and use their political and economic strength to get what they want. This approach must, under no circumstances, be adversarial or aggressive, but always rational and constructive. If THAI is in the dumps, and likely to remain there for at least a few years as it seeks to regain its erstwhile prestige, there is no reason why other airlines should be hampered from raising their frequencies and bringing more tourists to spend their money in Thailand.

The U.S.-Thai deal is a clear victory for the concept of conducting the aviation business in an open and competitive manner. Because no matter what happens, it should always be the public that should benefit.

TRIBUTE TO EDMUND S. MUSKIE

Ms. MIKULSKI. Mr. President, I rise to pay tribute to the remarkable life of Edmund S. Muskie.

He was a great American, a true statesman, and I'm proud to say, a good friend.

Mr. President, I am the first woman of Polish heritage ever elected to the Senate. Ed Muskie took great pride in my election, since we shared a common heritage and a common set of values. He was gracious in helping me to learn the ways of the Senate. He was a