

No single recommendation in the bill will totally fix the IRS, but taken as a whole, this package sets the stage for an IRS that is fair, efficient, and friendly.

Despite the extraordinary agreement in the House of Representatives on H.R. 2676 and agreement from President Clinton that he would sign the bill, Senator ROTH, the Chairman of the Finance Committee believes he must spend more time and build on the House bill and act on legislation next year. This is not prudent. Americans want action now. The new Commissioner of the IRS Charles Rossotti will be sworn in next week and we should start him on the right track with a new vision for the IRS. Why put off until tomorrow, what we can do today. Senator BOB KERREY of Nebraska has requested unanimous consent that the House IRS restructuring bill, H.R. 2676, be approved by the full Senate. I agree and believe we should act now to stop the IRS abuses today.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

HOLDS ON LEGISLATION

Mr. GRASSLEY. Mr. President, I rise to express my disappointment at the fact that during conference negotiations on the District of Columbia appropriations bill, there have been efforts to drop a provision offered by Senator WYDEN and myself, and which was accepted by the Senate. This provision was the antisecret holds provision which would have put an end to the practice of putting holds on legislation or nomination in secret.

My colleagues are all aware of the practice of placing holds on a variety of measures. Any Member of the Senate who objects to a measure can place a hold to prevent further action from taking place until that Senator's objections can be resolved.

I want to be clear about one thing. This provision would not have prevented Senators from placing holds. But it would have required them to be open and acknowledge when they have placed holds. Our provision would have simply required Senators to either announce on the floor or place notice in the CONGRESSIONAL RECORD within 2 working days that they have placed a hold. It is very disappointing that the D.C. approps conferees sought not to allow this provision to remain in the conference report. More, not less, openness is needed in this institution. It is regrettable that conferees seek to maintain the status quo.

However, I want my colleagues to know that, should this provision not be included in the final conference report, Senator WYDEN and I will not consider this matter closed.

We have had to work long and persistently before to achieve legislative goals and we are prepared to do so again. We will continue to pursue this matter until we achieve the openness

that is necessary to regain the public trust in Congress that it once had. I know that is a goal that we all want to reach.

Senators should remember that simply because the provision is not in the conference report, does not mean that Senators cannot take the initiative on their own and declare their desire, to place a hold on legislative activity. I call on all Senators to declare their action when they place a hold on legislation. Senator WYDEN and I have already pledged to be open about any such actions we take.

I firmly believe that shedding more light on the work that we do here can only help make Congress more effective and accountable. It will inspire greater confidence by our constituents, without which we cannot effectively do our jobs. There has to be a fundamental trust among our constituents that we will strive to represent their interests and views. I know I've never had a constituent tell me that Congress needs to be less open, less straightforward or less honest about what we do. That's why I want my colleagues to know this is not the last they have heard of this issue. They can be in step with the American people's wishes by making their actions public and by making the holds process more open. I appeal to my colleagues to not allow this provision to be killed in the secrecy that we need to eliminate.

I also want to thank my friend, Senator WYDEN, for his hard work on this matter. It has been a pleasure to work with him on this matter and I look forward to our continued efforts together.

The PRESIDING OFFICER (Mr. COATS). The Senator from New Mexico.

Mr. DOMENICI. I don't know whether the Senator wants to extend morning business. I think we are out of morning business. I just wanted to ask a 2-minute extension of morning business.

Mr. GRAHAM. If the Senator is going to ask unanimous consent for that extension, I ask for a further extension of 10 minutes immediately following his extension for the purpose of introducing legislation.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I shall not object, but might I inquire of the Presiding Officer, would the regular order be to go back to the fast track legislation?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. It is my expectation when this morning business is completed that that will be the business before the Senate?

The PRESIDING OFFICER. That request would have to be made from the floor.

Mr. DORGAN. I ask unanimous consent to be recognized following the morning business.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. I object for the moment. I would like to discuss the matter with the leader before we proceed.

The PRESIDING OFFICER. The objection is heard.

Mr. DORGAN. Let me withdraw my objection. I certainly don't want to be discourteous to my two colleagues. The 12 minutes they have asked for is not something I object to. I will not object to these two requests.

The PRESIDING OFFICER. The Senator from New Mexico is recognized to speak for 2 minutes in morning business.

Mr. DOMENICI. Mr. President, I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of Senate Resolution 148 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Florida is recognized to speak for 10 minutes in morning business.

Mr. GRAHAM. Mr. President, I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 1471 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

IRAQ SITUATION

Mr. KERREY. Mr. President, I rise to discuss the situation in Iraq regarding the U.N. inspection regime and the refusal of the Iraqi Government to accept American inspectors and thus delay the inspections. The Iraqi purpose is clear: to attack the unity and will of the world community, and especially the members of the Security Council, concerning sanctions to Iraq; to weaken the authority of the United Nations by dictating terms of compliance to U.N. Security Council resolutions; and most important, to conceal and retain and build up the chemical and biological weapons programs of the Iraqi military.

Once again we are in a crisis with Iraq; not of our making but of theirs. The question being debated here and in the United Nations is: What should we do?

The crisis began a week ago on October 29, 1997 when Saddam Hussein sought to evict from Iraq Americans who are assigned to international inspection teams sent by the United Nations to enforce a cease fire agreement signed by Iraq on April 6, 1991, following the January 17 to February 28 war to liberate Kuwait known as Desert

Storm. In the agreement Iraq promised to pay Kuwait for war damages, to destroy all its nuclear, biological, and chemical weapons capacity, and to allow inspectors into their country to verify compliance. On April 11, 1991, the U.N. Security Council officially declared an end to the war and to continuing the sanctions originally imposed on August 6, 1990.

The Security Council created the Special Commission, also known as UNSCOM, to carry out the inspection of Iraqi installations in order to verify the destruction of nuclear, biological, and chemical weapons capacity. UNSCOM—originally expected to be in operation for several months—has been in business for 6 years. During these past 6 years the UNSCOM inspectors have met with success. They reduced the Iraqi stockpile of weapons of mass destruction more than the war itself. Iraq has considerably less capability than it had when Desert Storm ended. That is the good news. The bad news is that they retain sufficient capacity to pose a real and serious threat to the people of the United States.

The nature of this residual threat can be seen in a letter sent to the United Nations on Wednesday by Richard Butler, an arms control expert who heads the UNSCOM. According to Mr. Butler the Iraqis could easily adapt laboratory or industrial equipment to resume making prohibited materials. In his letter he says: "For example, it would take only a matter of hours to adapt fermenters to produce seed stocks of biological warfare agents. Furthermore, it appears that cameras may have been intentionally tampered with, lenses covered and lighting turned off in the facilities under monitoring."

The idea of biological weapons in the hands of Iraq's Saddam Hussein should strike fear in the hearts of every American. This man is dangerous to his own people, his neighbors, and to us.

He is also clever. His latest ploy has produced more benefits for him than losses. Again, Mr. Butler is our guide. In his letter he says that, while we attempt to negotiate a right that was guaranteed under the peace agreement they signed, Iraq has been able to hide evidence and disable surveillance equipment. He specifically notes that we cannot monitor machinery that can balance missile guidance systems or equipment that could grow seed stocks of biological agents in a matter of hours.

Mr. Butler calls our attention to two actions Iraq has taken during the week when inspectors were absent. First, significant pieces of equipment that had been under the view of video monitoring system have been moved out of range of cameras. Second, monitoring equipment has been tampered with in other areas.

Even if inspections start again, Saddam Hussein has succeeded in making our work more difficult. We must reset and re-aim surveillance cameras. We

must recheck the machinery or stocks of materials these cameras watch. And we should not be certain whether prohibited arms or components had been produced in crash programs and carried away to be hid.

So, while we sit and wonder what we should do, Saddam Hussein sits and counts the ways he has benefited. A U.N. team sent by Secretary General Kofi Annan has just returned with nothing to show for their efforts. The team leader, Mr. Lakhdar Brahimi of Algeria was quoted as saying the Iraqis were very nice. Well, why not be nice? After succeeding 2 weeks ago in defeating United States efforts to impose more intense sanctions at the Security Council, Iraq has now gotten the U.N. to send a special negotiating team to ask politely if Iraq will do what it promised to do 6 years ago when it was suing for peace.

Mr. President, we cannot allow the situation in Iraq to continue to head in its current direction. Too much is at stake. American security and the security of our allies and interests hangs in the balance of our decision.

For my part I have reached the conclusion that our policy of containment cannot succeed. We need an objective which will ensure our security. We need a goal which will guarantee the stability we seek for the region.

As has always been the case, an outrageous act by Saddam Hussein has provoked a strong reaction in this country. Military responses are broadly discussed. Editorial pages talk of making sure our military response if a head shot at Saddam himself, as though assassination were a legal option for U.S. forces. At some point we may turn to a military response appropriate in scope and direction to achieve immediate and longer terms goals. A measured action, complete with the certainty of further response if necessary, may be what is called for in this situation. But I believe we need to ensure that our military actions, as well as our diplomatic and economic efforts, are part of an overall strategy toward Iraq which will attain a goal consistent with American ideals and interests.

Today, the United States and the international community are considering whether the proper response to Saddam's actions is a limited military action targeting suspected facilities or continued talks aimed at a more diplomatic end to this impasse. These are tactical options which will enable the United States and the international community to continue to muddle through its current strategy of containment toward Iraq. While the containment of Saddam has brought limited success in disarming his military, this strategy has been ineffective in changing the behavior of the Iraqi Government and is in danger of becoming more ineffective with the passage of time.

Some commentators state that the cohesion of the Persian Gulf coalition

has naturally grown more tenuous as other nations rediscover the promise of Iraqi petrodollars. They believe that our former coalition partners will inevitably find Iraq's oil wealth so tempting as to overlook the risks involved in the reemergence of a military powerful Saddam. I believe this need not be the case, if United States can formulate a strategy with clear policy objectives instead of continuing with a strategy of simply reacting to the Iraqi dictator's latest violation. We need to change our goals, our strategy, and our tactics.

I believe our policy toward Iraq should be open and direct—The United States seeks to remove the dictatorship of Saddam Hussein in Iraq and to replace it with a democratic government. Nothing more, nothing less.

Our frustration with Saddam is understandable. Six years ago we thought we had him. He failed utterly, ruined his country and two neighboring countries, caused the deaths of hundreds of thousands of people, and by our political lights he should be gone. But by his politics, the politics of a terror rivaled in this century only by Stalin's, Saddam keeps his job and we are rightly frustrated.

While Saddam rules, Iraq poses a threat to its neighbors and, by extension, to us. He still has SCUD missiles which could carry his chemical and biological agents to Israel, to Saudi Arabia, and to other nations in the region whose security is a vital American interest. He has ground forces which could invade Kuwait again or embroil any of his other contiguous neighbors in war. Those same forces threaten or oppress Iraq's Kurdish and Shiite minorities every day.

If Saddam retains power and escapes from sanctions, the threat he will pose in a decade will be far greater. He will have intermediate range or even long range missiles to carry his deadly payloads, he may have developed a nuclear weapon, and he will again have many billions of dollars in oil income to modernize his Armed Forces. He will be a major threat to his country and in fact to the entire world. We simply cannot let it happen, and I am confident we will not.

In considering how to respond to Saddam's latest outrage, President Clinton and the Congress need to take the long view, looking past the incident of the moment to determine the long-range outcome we want. Because we are the United States, and because we have already expended lives and treasure because of Iraq, I think our long-range goal should be ambitious.

We know from Iraqi history that Iraq is predisposed to dictatorship. We also know the dictatorships from this unbalanced state will inevitably threaten their neighbors. So getting rid of Saddam is not good enough. We need to get rid of Iraqi dictatorship. Our long-range goal should be a democratic Iraq. Other countries may be tempted to do business deals with the Iraqi dictator

and tactfully glance away from his abuse of his people. We Americans should settle for nothing less than democracy.

An impossible, naive dream? I think not. The Iraqi people, despite the lobotomy Saddam has tried to give them, are a well-educated, skilled people. They know the horrors of dictatorship better than anyone else on Earth. When Iraqis tell me their heartfelt commitment to a democratic future for their country, I believe them.

How do we turn this yearning for democracy into the reality of a free Iraq? Let me lay out a road map. First, we should maintain sanctions on Iraq and return to the inspection system which existed until October 29, when Saddam excluded American inspectors from the teams. If we have to use military force to get Iraqi compliance, fine. We should strive to have our coalition partners join us in this use because the power of the world community to bring an outlaw to heel is at issue here. If Iraq can thumb its nose at the Security Council today, some other rogue state will do the same tomorrow, and the system we and our allies have carefully built over 52 years will collapse. But even if some of our coalition partners don't join us, we should act militarily if Iraq won't back down.

Second, we must convince our core European and Asian allies that democracy, not just the compliance of a dictator, is the right long-term goal for Iraq. We must show our allies the far greater benefits and reduced risks that will accrue to them as well as to us from a democratic Iraq. We must sign up our allies for the long term.

Third, we must make the people of Iraq our allies, too. We must go beyond merely stating our support for democracy and instead put concrete encouragements on the table, solid indicators of Western commitment to Iraqi democracy. We should announce we will forgive Iraqi debt if a democratic regime takes power there and we should encourage our allies to do the same. We should state clearly the loan and foreign assistance preferences which a democratic Iraq would receive from United States and multinational institutions. We should discuss our preparations to supply immediate food and medical assistance to Iraq at the moment of Saddam's replacement by a regime which states its intention to hold free elections. And we should make sure, by means of Voice of America and commercial media, that every Iraqi knows about these encouragements to be democratic. Even before change comes, these steps will restore hope in Iraqi hearts.

Fourth, we should openly and consistently state our goal of a free, democratic Iraq. To accept less and to say less is simply unworthy of our heritage. Let democracy, respect for human rights, and a free economy be our consistent mantra for Iraq, as it ought to be for every country, and some day, not far off, when Saddam's prisons

and graveyards and secret weapons sites are opened and the Iraqi people can tell the story of their suffering, we will be proud that we set a lofty goal.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role.

The assistant legislative clerk proceeded to call the role.

Mr. LOTT. 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—S. 1269

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now resume the fast-track bill for consideration of the Dorgan amendment, that no amendments be in order to the Dorgan amendment, and, immediately following the reporting of the bill, the Senate resume the Dorgan amendment.

I further ask unanimous consent that, following disposition of or consent to dispose of the Dorgan amendment, Senator REED be recognized to offer an amendment regarding environmental standards, and only relevant amendments be in order to the amendment, and, following disposition of or consent to dispose of the amendment, the Senate resume morning business, and no call for the regular order serve to bring back the fast-track legislation.

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

Mr. LOTT. I yield the floor.

RECIPROCAL TRADE AGREEMENTS ACT OF 1997

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements.

The Senate resumed consideration of the bill.

Pending:

Dorgan Amendment No. 1594, to establish an emergency commission to end the trade deficit.

Inhofe amendment No. 1602, to establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act.

AMENDMENT NO. 1594

Mr. DORGAN. Mr. President, the amendment pending on fast-track legislation, is the amendment I offered 2 days ago. It is an amendment called the End the Trade Deficit Act. It is S. 465, a piece of legislation that I previously introduced in the Senate that I now offer as an amendment.

Let me describe why I bring this amendment to the floor of the Senate, especially when we are dealing with the fast-track legislation.

Mr. President, this Congress has spent a great deal of time dealing with the fiscal policy budget deficit, and with some success. I might add that actions by the Congress and a healthy growing economy have substantially reduced the budget deficit. But there has been very little discussion about the other deficit. And that is the trade deficit.

This country's trade deficit is the largest in history, and growing. For those who don't know much about the trade deficit, let me explain. Understandably you do not hear much about it. All we do is crow about our exports. We talk about how much we exported. Nobody talks about how much we have imported. It is like a business talking only about their receipts and refusing to talk about their expenditures.

Here is the merchandise trade deficit. It is 21 years old. For 36 of the last 38 years we have had an overall trade deficit. For the last 21 years in a row we have had this merchandise trade deficit. This trade deficit represented here in red is getting worse—not better. The last 3 years in a row have seen record merchandise trade deficits. And this year it is expected to reach a record merchandise trade deficit.

Some say the trade deficits are really quite good for this country. They must be ecstatic because these trade deficits are expected, according to some economic forecasters, to go from \$191 billion in the last fiscal year to \$356 billion by the year 2005. Some will make the case, I am sure, that it depends on the kind of trade deficits you have; what the trade circumstances are; what the economic circumstances are of the various regions of the world. I understand all of that.

But I say this: A trade deficit that is persistent and growing a trade deficit that represents a chronic 21-year uninterrupted set of trade deficits is not good for this country.

I propose a piece of legislation, now offered as an amendment, to establish a commission the members of which would hold hearings and make recommendations to Congress on how this country can eliminate the trade deficit by the year 2007.

We are having a discussion about fast track. It is a strategy that describes a procedure here in the Congress with respect to how we handle trade agreements. Most of us understand how trade agreements are negotiated. They are negotiated by trade negotiators sent overseas somewhere, in most cases. They close the door, have sessions, and come up with an agreement. They bring it back to the Congress, and they say, "Here is the agreement. Take it or leave it; up or down; no amendment."

But I want to also underscore why I feel so strongly about this issue, even as I discuss this amendment. I want to once again describe for my colleagues the dilemma we face with, for example, one free-trade agreement. This is the one with Canada. It is undoubtedly