

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

THE PRESIDING OFFICER (Mr. BENNETT). The Senator from Vermont is recognized.

Mr. LEAHY. I thank the Chair.

(The remarks of Mr. LEAHY pertaining to the introduction of S. 213 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LEAHY. Mr. President, I see my good friend from Washington State is on the floor. I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

ANTITERRORISM AND EFFECTIVE DEATH PENALTY ACT OF 1996

Mr. GORTON. Mr. President, this is to express my deep concern over a decision President Clinton made last year concerning the Anti-Terrorism and Effective Death Penalty Act of 1996, but it has only recently come to light.

When President Clinton signed the antiterrorism bill into law on April 24 of last year he made a promise to the American people—a promise never to give in to terrorism or to terrorist forces. The President vowed to stand firm against nations that support terrorism and use violence and bloodshed for political ends. The President was right in his resolve.

As the world's only superpower, the United States must set an example for all nations. We must not allow the cowards responsibility for such atrocities as the downing of Pan Am Flight 103, the bombing of the World Trade Center, or the bombing of the Oklahoma City Federal building to gain from their actions.

That is why Congress included strict provisions in the Anti-Terrorism and Effective Death Penalty Act of 1996 to isolate terrorist organizations and those who support them. Section 321 of the law prohibits U.S. businesses from engaging in any type of financial transactions with countries known to support international terrorism. This is an important weapon in our arsenal against terrorism that must be rigorously enforced.

Doing business with state sponsors of terrorism provides such rogue nations with links to the outside world and means for financing their ugly agenda. Any such financial transaction may well return in the form of violence against the American people, our allies or other innocent victims.

President Clinton purported to support this policy. In his address to the Nation on signing the antiterrorism bill, the President announced that

America must resolve "to hold fast against the forces of violence and division * * * guard against them, speak against them and fight against them." Unfortunately, the President has not lived up to his own words.

As reported in the Washington Post last week, only 4 months after signing the antiterrorism bill, President Clinton made a special exemption in the law for Sudan, one of the seven nations classified by the Department of State as a state sponsor of terrorism. The exemption was made specifically to allow California-based Occidental Petroleum Corporation to negotiate with the Sudanese Government for a stake in a \$930 million oil deal. The President made this decision despite the State Department's finding that Sudan is second only to Iran in its sponsorship of Islamic extremists engaged in terrorism against United States allies in the Middle East and against the United States itself.

Mr. President, I find these actions on the part of the President unconscionable, and I trust that most of my colleagues agree. This, unfortunately, is only the latest example of the flip-flopping on American foreign policy that marked the first term of President Clinton. Yet this particular change of heart may well be the most dangerous. The United States and our allies have known for decades that if we give terrorists an inch, they will take a mile. The more concessions we make, the more power we give to the forces of evil. It appears to me that our Commander in Chief engaged in the very practice he condemned in April.

The American people should not stand for such deception. President Clinton has an obligation to every American ever hurt by terrorism and every American who may be threatened by terrorism in the future to do what he said he would—stand firm. I truly hope the President will do just that and reverse his exemption of Sudan from the list of nations barred from doing business with American firms.

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

The PRESIDING OFFICER (Mr. KYL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 208 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOND. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 210 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MURKOWSKI. I suggest the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

JEFFREY ST. JOHN KNEW THE MEANING OF AMERICA

Mr. HELMS. Mr. President, a week or so ago—it was on January 13, 1997, to be exact—I was among those present at what proved to be a delightful memorial service for a gentleman whose life had demonstrated his understanding of, and his fidelity to, both the miracle and the meaning of America. His name was Jeffrey St. John who had died on January 3.

I attended the memorial service not because I was a close personal friend of Jeffrey St. John—I wish I could claim to have been, but because I admired so very much his remarkable talent and his unyielding courage in defending principles that deserve to survive. So just about everybody else present that afternoon had known Jeffrey St. John, and everybody else was equipped with personal anecdotes that more often than not demonstrated the good humor of their departed friend.

Mrs. St. John, Kathryn is her name, was there, of course—a charming lady who undoubtedly was a great source of strength to her husband during the years that he so unfailingly stood in defense of conservative principles.

Mr. President, following this occasion, which Mr. St. John would have enormously enjoyed—and, who knows, there's a better than even chance that he was indeed sitting on a cloud up there somewhere—I asked Paul Weyrich, one of America's most effective defenders of conservatism and freedom, to prepare for me a brief personal history of Jeffrey St. John.

Mr. Weyrich readily agreed to do so despite his own hectic schedule as president of the Free Congress Foundation and its myriad of activities.

Mr. President, I ask unanimous consent that Mr. Weyrich's review of Mr. St. John's life be printed in the RECORD.

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

JEFFREY ST. JOHN—JOURNALIST AND HISTORIAN

(By Paul Weyrich)

On January 3, 1997, a great American passed away at his home in Randolph, VA. Jeffrey St. John was a noted author, journalist, broadcaster, and historian. He was one of the first conservative news commentators aired on national radio and television; his career included work as business correspondent for the Today show, a long-time news commentator for CBS-TV, CBS Radio, and Mutual Broadcasting, and as a news director for ABC radio. He produced and moderated TV and radio shows for stations in Washington, San Francisco, and New York. He wrote and narrated Headlines and History, a daily radio feature translated into 26 languages and broadcast by the Voice of America. Over the years, he received two Emmy Awards for his work in television.

Mr. St. John was a prolific author and columnist. His commentaries were carried in the New York Times, the Wall Street Journal, Chicago Tribune, and Christian Science Monitor. He was a syndicated columnist for Copley News Service, and wrote regularly for Saturday Review, Barron's, and Nation's Business and other publications. He was the author of eight books.

One of Jeffrey St. John's greatest works was a trilogy on the formation and adoption of the Constitution, establishment of the first Congress, and drafting of the Bill of Rights. The trilogy was published during 1987-92 by Jameson Books. Former Chief Justice of the Supreme Court, Warren Burger, was so impressed with Mr. St. John's historical works that the Chief Justice wrote the foreword to each of the three volumes. Chief Justice Burger then, as chairman of the Bicentennial of the United States Constitution, distributed the set to every high school and college library in America. Jeffrey St. John used the unique approach of writing about these crucial historical events from the viewpoint of a reporter observing the developments.

His journalistic efforts earned for him numerous awards. He received the Benjamin Franklin National Press Foundation Award for his writings on the Constitution from the U.S. Press Foundation; and the George Washington Medal of Freedom from the Freedoms Foundation in Valley Forge for a radio series on the Life and Legacy of George Washington.

Mr. St. John covered the Korean War as a combat writer and photographer for Pacific Stars and Stripes and in 1956 was an on-the-spot reporter for the Suez crisis. He subsequently served as a correspondent at the United Nations and at the White House during the Eisenhower administration. In 1966, he was the Conservative Party candidate for Congress for the seat vacated for New York Mayor John Lindsay.

Jeffrey St. John loved his country. He proudly served in the Marine Corps. He cherished our Constitution and other documents of our Founding Fathers. His life and journalistic efforts provide unique documentation of high quality for the preservation of democracy. America has lost a true patriot and a journalistic giant.

Mr. HELMS. I thank the Chair.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

FAMILY HERITAGE PRESERVATION ACT

Mr. KYL. Mr. President, last week, I introduced legislation to enhance the

economic security of older Americans and small businesses around the country. The bill, known as the Family Heritage Preservation Act, would repeal the onerous Federal estate and gift tax, and the tax on generation-skipping transfers. Fifteen Senators have joined me as cosponsors of this very important initiative.

Mr. President, most Americans know the importance of planning ahead for retirement. Sometimes that means buying a less expensive car, wearing clothes a little longer, or foregoing a vacation or two. But by doing with a little less during one's working years, people know they can enjoy a better and more secure life during retirement, and maybe even leave their children and grandchildren a little better off when they are gone.

Savings not only create more personal security, they help create new opportunities for others, too. Savings are really investments that help others create new jobs in the community. They make our country more competitive. And ultimately they make a citizen's retirement more secure by providing a return on the money invested during his or her working years.

So how does the Government reward all of this thrift and careful planning? It imposes a hefty tax on the end result of such activity—up to 55 percent of a person's estate. The respected liberal professor of law at the University of Southern California, Edward J. McCaffrey, observed that "polls and practices show that we like sin taxes, such as on alcohol and cigarettes." "The estate tax," he went on to say, "is an anti-sin, or a virtue, tax. It is a tax on work and savings without consumption, on thrift, on long-term savings. There is no reason even a liberal populace need support it."

At one time, the estate tax was required of only the wealthiest Americans. Now inflation, a nice house, and a good insurance policy can push people of even modest means into its grip. The estate tax is applied to all of the assets owned by an individual at the time of death. The tax rate, which starts at 37 percent, can quickly rise to a whopping 55 percent—the highest estate tax rate in the world.

As detrimental as the tax is for couples, it is even more harmful to small businesses, including those owned by women and minorities. The tax is imposed on a family business when it is least able to afford the payment—upon the death of the person with the greatest practical and institutional knowledge of that business' operations. It should come as no surprise then that a 1993 study by Prince and Associates—a Stratford, CT, research and consulting firm—found that 9 out of 10 family businesses that failed within 3 years of the principal owner's death attributed their companies' demise to trouble paying estate taxes; 6 out of 10 family owned businesses fail to make it to the second generation; 9 out of 10 never make it to the third generation. The estate tax is a major reason why.

Think of what that means to women and minority-owned businesses. Instead of passing a hard-earned and successful business on to the next generation, many families have to sell the company in order to pay the estate tax. The upward mobility of such families is stopped in its tracks. The proponents of this tax always speak of the need to hinder "concentrations of wealth." What the tax really hinders is new American success stories.

With that in mind, the 1995 White House Conference on Small Business identified the estate tax as one of small business's top concerns. Delegates to the conference voted overwhelmingly to endorse its repeal.

Obviously, there is a great deal of peril to small businesses when they fail to plan ahead for estate taxes. So many small business owners try to find legal means of avoiding the tax or preparing for it, but that, too, comes at a significant cost. Some people simply slow the growth of their businesses to limit their estate tax burden. Of course, that means less investment in our communities and fewer jobs created. Others divert money they would have spent on new equipment or new hires to insurance policies designed to cover estate tax costs. Still others spend millions on lawyers, accountants, and other advisors for estate tax planning purposes. But that leaves fewer resources to invest in the company, start up new businesses, hire additional people, or pay better wages.

The inefficiencies surrounding the tax can best be illustrated by the findings of a 1994 study published in the Seton Hall Law Review. That study found that compliance costs totaled a whopping \$7.5 billion in 1992, a year when the estate tax raised only \$11 billion.

The estate tax raises only about 1 percent of the Federal Government's annual revenue, but it consumes 8 percent of each year's private savings. That is about \$15 billion sidelined from the Nation's economy. Economists calculate that if the money paid in estate taxes since 1971 had been invested instead, total savings in 1991 would have been \$399 billion higher, the economy would have been \$46 billion larger, and we would have 262,000 more jobs. Obviously, the income and payroll taxes that would have been paid on these gains would have topped the amount collected by the Government in estate taxes.

There have been nine attempts to reform the estate tax during the last 50 years. Few would contend that it has been made any fairer or more efficient. The only thing that has really changed is that lobbyists and estate planners have gotten a little wealthier. Probably the best thing we could do is repeal the estate tax altogether. That is what I am proposing in the Family Heritage Preservation Act.

Mr. President, the National Commission on Economic Growth and Tax Reform, which studied ways to make the