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## Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we thank You for this moment of quiet in which we can reaffirm who we are, whose we are and why we are here. Once again we commit ourselves to You as Sovereign Lord of our lives and our Nation. Our ultimate goal is to please and serve You. You have called us to be servant-leaders who glorify You in seeking to know and to do Your will in the unfolding of Your vision for America.

We spread out before you the specific decisions that must be made today. We claim Your presence all through the day. Guide our thinking and our speaking. May our convictions be based on undeniable truth which has been refined by You.

Bless the women and men of this Senate as they work together to find the best solutions to the problem before our Nation. Help them to draw on the supernatural resources of Your spirit. Give them divine wisdom, penetrating discernment, and indomitable courage.

When the day draws to a close may our deepest joy be that we received Your best for us and worked together for what is best for our Nation. In the name of our Lord and Saviour. Amen.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator COCHRAN of Mississippi, is recognized.

### SCHEDULE

Mr. COCHRAN. Mr. President, this morning the Senate will resume consideration of S. 936, the defense authorization bill, and begin 90 minutes of de-

bate on the Grams second-degree amendment to the Cochran amendment regarding supercomputer export controls. At approximately 11 a.m. the Senate will vote on or in relation to the Grams amendment, to be followed by a vote on or in relation to the Cochran amendment. Following that, the Senate will continue consideration of amendments to the defense authorization bill with rollcall votes occurring throughout the day.

As the majority leader announced last night, the scheduled cloture vote will be postponed temporarily today, and an assessment will be made later today of the progress being made on the defense bill. With the cooperation of all Members, that cloture vote may not be necessary if good progress is made on the bill.

It is the intention of the majority leader that action on the defense authorization bill be completed this week. Senators should anticipate a busy session today that will extend into the evening. Work is anticipated as well on Friday, if necessary, to finish this important legislation. That announcement is made by me at the request of the majority leader for the information of all Senators.

Mr. President, as contained in this announcement, there is now 90 minutes that is available on the Grams amendment. If the Chair wants to make the announcement, I will yield the floor temporarily for that.

### RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the leadership time is reserved.

### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 936, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 936) to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

### Pending:

Cochran/Durbin amendment No. 420, to require a license to export computers with composite theoretical performance equal to or greater than 2,000 million theoretical operations per second.

Grams amendment No. 422 (to amendment No. 420), to require the Comptroller General of the United States to conduct a study on the availability and potential risks relating to the sale of certain computers.

Coverdell (for Inhofe/Coverdell/Cleland) amendment No. 423, to define depot-level maintenance and repair, to limit contracting for depot-level maintenance and repair at installations approved for closure or realignment in 1995, and to modify authorities and requirements relating to the performance of core logistics functions.

Wellstone amendment No. 669, to provide funds for the bioassay testing of veterans exposed to ionizing radiation during military service.

Wellstone modified amendment No. 668, to require the Secretary of Defense to transfer \$400,000,000 to the Secretary of Veterans Affairs to provide funds for veterans' health care and other purposes.

Wellstone modified amendment No. 666, to provide for the transfer of funds for Federal Pell Grants.

Murkowski modified amendment No. 753, to require the Secretary of Defense to submit a report to Congress on the options available to the Department of Defense for the disposal of chemical weapons and agents.

Kyl modified amendment No. 607, to impose a limitation on the use of Cooperative Threat Reduction funds for destruction of chemical weapons.

Kyl amendment No. 605, to advise the President and Congress regarding the safety, security, and reliability of United States Nuclear weapons stockpile.

Dodd amendment No. 762, to establish a plan to provide appropriate health care to

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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S7131

Persian Gulf veterans who suffer from a Gulf War illness.

Dodd amendment No. 763, to express the sense of the Congress in gratitude to Governor Chris Patten for his efforts to develop democracy in Hong Kong.

Reid amendment No. 772, to authorize the Secretary of Defense to make available \$2,000,000 for the development and deployment of counter-landmine technologies.

Levin amendment No. 778, to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The able Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I just want to tell the Senators that we are going to finish this bill this week. If they want their amendments adopted, they better come in and have them considered and debated and acted on. We do not want any further delays. And we want to get time agreements, too. No use to spend hours and hours on one amendment. We ought to get a very limited time on each amendment so we can finish this bill. That is very important. I want Senators to know that we expect to proceed along that line.

AMENDMENT NO. 422

The PRESIDING OFFICER. The Senate will now resume consideration of Grams amendment No. 422 on which there shall be 90 minutes for debate equally divided.

Who yields time?

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Who controls time under the order?

The PRESIDING OFFICER. The Senator from Mississippi controls 45 minutes and the Senator from Minnesota controls 45 minutes.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

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

Mr. COCHRAN. Mr. President, to refresh the memory of Senators about this amendment that is now the pending business, at an early stage in the consideration of this authorization bill I offered an amendment for myself and on behalf of the distinguished Senator from Illinois [Mr. DURBIN] to modify the administration's existing policy relating to the export by U.S. companies of supercomputers in the global marketplace.

The reason this amendment was considered important for the consideration of the Senate on this bill is that it, first of all, involves exporting technology that no other country in the world has. Unlike many of our arms sales, defense equipment or technology sales around the world, whether to friendly allies or those who may not be so friendly, computer technology has evolved here in the United States to the point that we have the corner on the market. No one can compete with us in many areas of supercomputer

technology. The Japanese have developed an impressive capacity in this area as well.

But one thing has come to our attention in the subcommittee that I chair on Governmental Affairs, the Subcommittee on International Security, Proliferation and Federal Services. We have had a series of hearings that began the first month of this year. We have had at least one hearing every month. And we have explored one aspect of weapons proliferation.

It was at a hearing that we had recently on the exporting of technology that we learned that the United States was a proliferator of weapons technology that was threatening the security of the United States, and putting at risk United States servicemen, servicewomen, other interests, and other assets and interests throughout the world, because we were giving countries like Russia and China and others the capacity to improve the lethality, the accuracy, and the capabilities of nuclear weapons systems through the exporting of technology that they were using to simulate tests, which they would not otherwise be able to do, and to upgrade the quality and accuracy of their missile delivery systems and weapons systems.

This does not make good sense. Japan's export control policy is more restrictive than our policy. The President came into office after a campaign which involved a lot of discussion about changes in the world security situation. We all rejoiced in the past two administrations when so much progress was made in terms of reducing the threat to the security of the United States because of the changes going on in the Soviet Union and Eastern Europe.

The fact is, that we were able to relax somewhat when those weapons systems were no longer targeted at us. But the fact remains that there is a tremendous potential threat, not only in Russia but some of the other states of the former Soviet Union for the development at some future date of an attitude that may put our security relationship at greater risk than it is today. And so we do have an interest in refraining from doing those things ourselves that end up unwittingly or carelessly investing in others the capability to develop modern, more lethal, and more dangerous weapons systems that could threaten our security interests.

One other aspect of this is that part of our hearings have been involving the sale of weapons systems by countries like Russia and China. We had a whole series of witnesses come before our committee talking about this as a problem now, selling missiles, for example, to Iran, selling nuclear weapons technology to countries like India and Pakistan and others.

But we see emerging around the world a new capacity on the part of many of these countries that we do not trust at all to have those kinds of systems that can inflict great damage, de-

stroy assets that we have, and people, troops that we have in the Middle East or in South Korea, sailors who are on ships around the world who are now vulnerable to cruise missiles in the Mediterranean that we never had to worry about before because of this proliferation of missiles and technologies and weapons systems.

So that is the big issue here. So that is why we have suggested that the administration's new policy—when they came into office they said we are going to open up and take the controls off of our exports so we can take advantage of the new security situation around the world, let our businesses enjoy a more relaxed atmosphere. That is all fine. But what we have learned in the last 18 months of this new policy—it was put into place in October 1995—the new policy has resulted in supercomputers coming into the possession of the Chinese Academy of Sciences which has a component that is involved in the modernization of the Chinese nuclear weapons program and systems. They now have seven supercomputers that came from the United States that they are using, they potentially are using, to develop a more modern weapons capability in nuclear weapons.

The Russian chief of atomic energy boasted recently that his operation, the group of people he has under his control in his laboratories—Chelyabinsk 20 and Arzamas 16—these are locations where they do work on nuclear weapons systems in Russia that they now have a supercomputer capability previously unknown, compliments of the United States.

This is a sad state of affairs because of a policy that is much more relaxed now. And I want to describe the details of it. That is why we have these 90 minutes reserved here so Senators will understand how serious a threat this is and what it means in practical terms.

We have seen the administration develop this new policy that identifies countries in categories. They call it a four-tier system.

Tier 1 countries are our best friends, NATO Allies. There are no restrictions. Tier 2 are those countries where it is more lenient still. Tier 3 and Tier 4. Tier 4, there is a complete embargo on the exporting of computer technology of all capability. You cannot sell computers under our new system to these Tier 4 countries. They are Iran, Libya, North Korea, Cuba, a couple of others.

Tier 3 are those countries where, depending upon the capability of the computer, there are restrictions. There are no restrictions for the PCs, the personal computers, no restrictions. But when you get up into these high-end computer systems there are restrictions, you have to get an export license from the Department of Commerce. And the way you decide whether you need a license or not is to decide if the end use of the computer is going to be for a military purpose or a civilian purpose or if the user is a military entity or a civilian entity.

The problem with the administration's policy is the Commerce Department does not tell our exporters whether the end use or the user is military or civilian. They leave it up to our exporter to find that out for themselves. That is the problem. That is what this amendment is about. We are trying to change one part of this policy to require the Federal Government to approve the sale—in the case of these countries in Tier 3, China, Russia, and a number of others—where the potential for use of this technology for military purposes has become so apparent and real.

Now, I am not suggesting that our computer companies are carelessly and negligently and wholesale selling these high-end computers, these advanced computers, without careful analysis of who their customers are. Some of them are making a very conscientious effort to ensure that. But what they cannot do and they do not have the capacity to decide, that in the reality of this new situation there are front companies being developed—in the case of China, for example, in Hong Kong and maybe other places, as well, and I cannot discuss all of this because some of it is classified—but there are companies that have been established, whether by governments or government-related industries, who are able now to purchase U.S. computers because they are a civilian company, and then turn around and sell it to a company that is affiliated with one of these governments. That is what has happened, apparently.

So do we want to continue to leave to the capabilities of a computer exporter the responsibility of making these determinations, by understanding what is a front company and what is not? They do not have the resource to do that. Our intelligence community, however, and the resources of our Federal Government are much more nearly able to make this kind of determination.

Under Secretary Reinsch at Commerce talked about this policy at hearings in our committee, and you could tell that Commerce realized that changes had to be made in the way they were monitoring and supervising and implementing this new policy. After our hearing, they started making changes. They started putting out a list, for example, of entities around the world that they think are suspicious enough or they have evidence enough so they can say you cannot tell this entity or that entity in these Tier 3 countries because we know that puts at risk the potential use of this technology for nuclear weapons purpose or other weapons of mass destruction purpose. So they are making some changes. The fact is they left a lot of things off the list, they left a lot of entities off the list that we know in the past have purchased or wound up having these technologies.

So it creates a situation where a change needs to be made right now. This is the change that we think is

best. We are pleased to have the co-sponsorship on this amendment of distinguished leaders in the area of proliferation here in the Senate. Senator THURMOND, who is chairman of the Armed Services Committee, supports our amendment. Senator WARNER supports our amendment. Senator GLENN, who has previously served as chairman of this proliferation subcommittee and chairman of the full Committee on Governmental Affairs, and been a leader in this effort his entire career in the Senate, and he announced yesterday—and put a statement in the RECORD, which we invite Senators to look at—that he is supporting this amendment. Senator DURBIN of Illinois was in the hearing and has taken an active role in trying to understand and deal with this emerging problem. It has emerged full-blown into one of the most serious threats to our Nation's security, and it has been done because of the way this policy has played out and the way the problem has increased. So we think that Senators ought to look carefully at this.

Let me just say this chart tries to explain how a small area of the computer industry and the hardware that are involved are affected by this amendment. The diagonal lines here that say Chelyabinsk-70 and Arzamas-16 are nuclear weapon labs in the Soviet Union, and the Chinese Academy of Sciences that we know wound up with United States computers that can be used now throughout China for the purpose of developing new modern weapons of mass destruction. This represents numbers of total computers, 6.34 percent of the total U.S. computer export markets affected, and targeted only those computers going to those Tier 3 countries with lethality or capability of 2,000 MTOPS to 7,000 MTOPS. These are millions of theoretical operations per second. That is how you measure the capability or speed of computation of computers. That is the way the Commerce Department has broken this down and divided up these up so that they reflect the capabilities of these computers. A PC has a capability of 250 MTOPS. We are talking about advanced computers, very expensive, and, of course, the computer industry is competing with each other to make these sales.

This is another point: If you were running a big computer company—IBM, Cray computer, whatever the names are—you do not want to have to go to the Secretary of Commerce and tell them you are thinking about making a sale or you have a customer on your screen that you think you can sell a big, heavy-duty, new, modern, expensive computer to, you do not want to tell anybody about it. If you are a salesman, you do not want that word out on the street. You do not want somebody at Commerce looking into it and asking a bunch of questions of you. You would like to go in and make the sale. If the customer is ready to buy your computer, you want to go in, sign

the deal, and make the sale. Of course, you have a responsibility under the new policy to satisfy yourself about who the end user is, what the end-use purpose is, and so you hurry to get that done. No matter how conscientious you are, you might not do as good a job with that, particularly if you have a competitor who is trying to make the same sale.

So we are in a situation where the competition of the U.S. market and economic system is working against our interests in protecting our national security and maybe taking a little bit more time and understanding what the potential is for this sale in terms of coming back at us in a new, advanced missile that has capabilities never before possible because of U.S. computer manufacturers selling in these markets to the countries that have the money to buy them. You are talking about the big countries. I am particularly concerned about Russia and China, specifically. We are developing, we hope, better relationships with both countries. We are working to improve our relationships around the world, make this a more stable, safer, peaceful world. That effort has to continue.

What we are doing today, in calling it to the attention of the Senate today, is not at all designed to sour or make that process more difficult, but we have to recognize that this is still a dangerous relationship in many respects. These are the countries that have the greatest capability in the world today, and past attitudes among some in those countries that do not have our interests at heart, do not have our security uppermost in their mind, who may be capable of diverting some of these technologies for uses such as the development of new generations of weapons of mass destruction which not only they but some of their friends end up with in the due course of business.

I have gotten calls and we have had visits from some in the computer industry saying this amendment is not necessary; it is not necessary to put this in the law. Why don't we just change the policy? Well, we can't change the policy. We are the Congress. The executive branch makes policies. They issue regulations.

One of the Senators asked me in a formal colloquy yesterday why we needed to put this in a bill. Well, it is the only way that Congress has available to it to participate in the policy-making process in helping to do our part to ensure that our Nation's security is protected. We cannot issue a regulation, we cannot modify a policy other than doing it the way we are doing it right now.

Now, the Senator from Minnesota, who is my good friend, has an alternative. He wants to do things other than change the policy. He wants to ask GAO to investigate it. We are already having GAO investigate this and gather more information. We are continuing to discuss with GAO other areas where we might get information

that will be more helpful to the Congress in understanding what our options are. He suggests that Commerce ought to publish a list of prohibited purchasers. That list is good for as long as the ink is drying, but no further. What if a change occurs and they have not gotten a new list out with modifications, and you see nobody is on the list with the name of a company that you have been contacted by and you make the sale or you try to make the sale, and you decide this is a civilian company. There was nobody in uniform who came to see you, so your assumption is that it is a civilian. Well, the names change, these identities change, the purposes of companies change, the contacts and relationships of companies, particularly in this part of the world we are talking about, can change.

So you are going to invite them to start changing things. If they see they are on the list, they will probably dissolve their corporation if their purpose was to be a front for the People's Liberation Army, and some of these companies are. How is an innocent U.S. exporter to know? You cannot have all these agents and assets to detect this kind of thing on the payroll of the company. But the U.S. Government has resources, and they have a better opportunity to make these determinations.

What we are simply saying is—not as the Senator from Minnesota wants us to do, which is nothing. His amendment just absolutely guts the effort to change the policy. It says there will be no change in policy as we are suggesting here. There will be no change. We will leave it up to the Commerce Department to improve its policy by making a list, and we will ask the GAO to look into this more. That is not good enough. I am hoping the Senate will vote down the Grams amendment and support the Cochran-Durbin amendment.

The cosponsors, I hope Senators will consider, who are on this bill right now, and I do not have a last count, but we are well into the double digits. Around 20 Senators have cosponsored this amendment. It is a strong statement of support for change that is needed now to protect our Nation's security. If we fool around and argue about this and are mealy-mouthed and don't want to hurt anybody's feelings or scare any of the computer companies, they don't want to get Congress to agree on any sale and they want to use their best efforts—I am not suggesting they don't, but they don't have the capacity, they don't have the expertise, they don't have the reach, the broad reach of the U.S. Government and its intelligence community to make these determinations.

So for these few computers with MTOPS between 2,000 and 7,000, for these few countries in tier 3, we are suggesting that any sale has to be first approved by the Commerce Department to ensure that the end use is civilian

and that the end user is civilian and not military. That is all this is. Every other computer sale and administration policy can continue without any new restraint whatever.

I am hopeful the Senate will review this situation carefully, Mr. President. I reserve the balance of my time.

Mr. GRAMS. Mr. President, I rise to continue the debate this morning on the Grams-Boxer amendment to the Cochran-Durbin amendment. I urge my colleagues today to support what I believe is a very reasonable compromise to a very controversial issue.

Mr. President, I ask unanimous consent that Senators D'AMATO, BOND, GREGG, and FEINSTEIN be added as cosponsors to this amendment.

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

Mr. GRAMS. Mr. President, I understand that there is a lot of concern in this body about United States computer sales being diverted for military use to either China or Russia. None of us wants that to occur. But we have to consider whether the Cochran amendment solves the problem. I believe that it does not.

The Cochran amendment would require export licenses for all midlevel computers. Now, these are not supercomputers, these are not high-end computers. You are going to hear that term, but they are not supercomputers. These are midlevel computers, and they are shipped to China, Russia, Israel, and 47 other countries. We talk about the Third Tier countries. They involve 51 nations, like Russia, China, India, Pakistan, Saudi Arabia, Israel, Romania, and the Baltic States. Some of our future NATO Allies could also be involved. Mr. President, export licenses do not solve end-user problems. These are diversions that would not have been caught during the export license procedure. Export licenses do require end-user certification, but if the end user chooses to ignore the agreement, or if the computer is stolen, that possibility will not be evident in the licensing process. In my judgment, the current system works.

Just yesterday, Secretary of Defense Bill Cohen sent us a letter opposing the Cochran amendment. He said the current law and system can deal with unauthorized exports and diversions. This is from the department that has been very conservative on all export decontrol matters. Secretary Cohen further states that we should focus our controls on technology that can make a national security difference, not that which is widely available around the world and is obsolete.

Yes, Mr. President, there have been three diversions, but that was out of 1,400 sales. But, no, this is not the right way to address those problems. The right way is to force the administration to publish as many military end users as possible and then to work with the industry to identify all military end users. We have been able to identify diversions through our capable in-

telligence sources. Mr. President, there is no evidence that there are dozens of computers out there used by military end users. It is just not there.

Further, I don't believe that the industry irresponsibly ignores available information about military end users. They have too much at stake. A company which violates export control laws takes a very big risk. The penalties are prohibition of all exports for 20 years or more, 10 years in prison, and up to a \$5,000 fine for each violation. This doesn't include the blemish that would remain on the company's reputation or the great difficulty that company would have in the future seeking an export license. No company, Mr. President, can afford that risk.

What we would be doing here this morning is handing this midlevel computer business over to the Japanese and other allies. Now, again, I want to emphasize that these are midlevel computers, they are not supercomputers. Next year, they will be the kind of systems that we will be able to have in our offices here in the Senate, or what you could find in a small company or in a doctor's office. These are not the computers that are sought after for nuclear weapons production or design. Again, we are looking at midlevel computers, between 2,000 and 7,000 MTOPS, which are widely available around the world.

Supercomputers, which are sought after for weapons design, start at the 20,000 MTOPS level and go all the way up to 650,000 this year, and they will go beyond the 1 million MTOPS level next year. By the way, China already produces a computer at 13,000 MTOPS. No other country considers these computers to be anything but generally available and will step in to take over the business that the Cochran amendment will hand to them. The question is, is that what we want?

Also, anyone can purchase upgrades, by the way, to raise a PC, a current PC, above the 2,000 MTOPS level. We can't control the box. We can't control the chips around the world that can be put in it. We can't control the upgrades. There is no way to control these low-level PC's under the 2,000 MTOPS threshold, again, since they are available in nearly every country in the world.

Further, the chips that make up these computers are also available and produced around the world. They were decontrolled during the Bush administration. Our chip producers have markets throughout the world, and they need to maintain them to remain competitive. Chip producers cannot control who receives their end product.

Also, how do you prohibit a foreign national from using a computer even above the 7,000 level here in the United States and taking the results back, or faxing it back?

Our friend Jack Kemp has written to us also this week stating that the Cochran amendment would "establish a policy that is destined to fail and

would hurt American computer manufacturers without protecting our national security. The American high-technology sector is critical to the future of this country and must be protected from overly intrusive Government restrictions."

I wish there was something we could do to effectively control some of these exports, but it is just not possible at these lower levels. We cannot convince our allies to reverse 2 years of their own decontrol. In fact, Europe has tabled a decontrol proposal at 10,000 MTOPS, which proves that they have no intention of even respecting our 7,000 level. We cannot pull all the PC's and upgrades off the retail shelves, and we cannot close our borders to prevent all foreign nationals from entering this country and using our computers.

We must concentrate our resources on keeping computers above the 7,000 level from reaching military end users; that's for sure. But I fear that an increased license burden in the administration would steer resources away from efforts to locate diversions and investigate them.

Now, Mr. President, in an earlier statement, I also countered a claim that an export license requirement would not slow down these computer sales. I have heard that someone made the comment that an export license would take 10 days. Well, anyone who knows how the licensing process works knows that it can take many, many months to obtain one. This will only earn our industry a reputation as an unreliable supplier, and it will cost us sales and it will cost us many, many U.S. jobs. The administration admits that a computer license application averages 107 days to reach a decision. I have seen it take far longer. Even 107 days, by the way, is enough to convince the end user to go out and seek a buyer in another country.

Since so many of the Tier 3 countries are emerging markets, we need to be in there early to maintain a foothold for future sales. When we hear about the 6.3 percent of sales to Tier 3 countries, that is misleading. It is in an area where the market is expanding rapidly. If we leave our companies out of those markets, they will not be there to compete in the future. They will not be there to provide sales and jobs for the United States.

Another argument I have heard is that there is no foreign availability over 3,500 MTOPS. Well, last year, NEC of Japan tried to sell a supercomputer to the United States Government at a level between 30,000 and 50,000 MTOPS. They match our speeds all the way to the top.

Mr. President, I believe that all of us are proud of our computer industry, that our industry remains the state of the art in so many areas, particularly in the levels above 7,000. We have made progress to facilitate exports without compromising our national security, progress which began back in the Reagan and Bush administrations, but

here is an effort today to reverse all of that progress.

Our industry has to survive on exports, and it has to pursue commercial business with these 50 countries to remain competitive. All computer sales over the 7,000 MTOPS level do require license now. We have not sold any computers above that level. And, again, the 7,000 MTOPS are not supercomputers—they are not—they are midlevel computers. We have not sold any computers above that level to Tier 3 countries; nor do our allies, to my knowledge. However, we should not restrict the sales of these midlevel and, again, generally available computers to commercial end users. We should simply maintain the current licensing requirement for the questionable end users. I firmly believe that there will be improved cooperation between the Government and industry on end-user information, particularly those for Russia and China.

Now, I also commend the Commerce Department for starting to publish information on end users and to examine all sales that are made to the Tier 3 countries within these computer speeds.

The Grams-Boxer amendment requests the GAO to determine whether these sales affect our national security. That is very important. It will look into the issue of foreign availability. It will also require the publication of a military end-user list, and it requires Commerce to improve its assistance to the industry on identifying those military end users.

There will be some that vote today solely to express their dissatisfaction with China's alleged military sales to our adversaries. Let me remind you once again that there is no evidence that U.S. computers were involved in any of those cases. I also urge you to look at the merits of this issue. Pure and simple, the Cochran amendment would hand the sales of midlevel computers over to the Japanese and the Europeans at the expense of an industry that we have sought to protect and to promote and an industry that we are proud of.

As chairman of the International Finance Subcommittee of Banking, the committee that has jurisdiction over this issue, I strongly, this morning, urge my colleagues to vote for my substitute and let us continue this debate in the normal manner, through committee consideration. At the same time, the administration should step up its efforts to express to the Chinese and the Russians our grave concerns regarding efforts to divert commercial sales to military end users without knowledge of the United States seller.

Mr. President, I appreciate the efforts of my colleague from Mississippi to address these diversions. I want to work with him in my role as chairman of the subcommittee of jurisdiction to ensure that the current system does work or on how we can improve it once we have better information regarding the extent of the problem.

I urge the support of my colleagues for the Grams-Boxer substitute as a compromise to this very, very controversial issue. Thank you very much.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DURBIN. Mr. President, I am a cosponsor with the Senator from Mississippi, and he has allotted the remaining time to me for this debate.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Thank you, Mr. President. There is a quotation attributed to Vladimir Lenin. I am not sure he said it, but it has been repeated often enough that it is possible he did. It is illustrative of the challenge we face in this debate. It is reported that Lenin said: "A capitalist will sell you the rope that you use to hang him."

The suggestion from this founder of communism was that countries like the United States with a passion for capitalism and sales will occasionally get too overheated and end up selling the very product that can be used against him. Lenin's quotation goes back almost 80 years; yet, it is apropos of the debate today in 1997. We are talking about the sale of a supercomputer to a country that can use it against us. How should we take care to prevent that from happening? What safeguards should we establish?

You have read in the newspapers over the last few years the sad commentary of people entrusted at the highest levels of Government in the United States with classified and secret information, with access to technology, who have literally betrayed the United States and have sold that information to one of our adversaries. Ultimately, many of them have been caught and prosecuted and have served time, as they should, for betraying their Nation and giving away something very critical to the defense of this country to one of our adversaries.

At the basis of this debate is this same question: Are we giving away, through sales, a precious resource that can be used against us? Are we handing over a capability to a country that may not have the same interest or the best interest of the United States at heart?

That is why Senator COCHRAN and I have offered this amendment. Let me say at the outset for those who are critical of the amendment, we are not saying that the United States cannot make sales of these supercomputers to any country, Tier 1, 2, or 3; but we are saying, if you are going to sell these supercomputers to one group of countries that we want to take care do not misuse them, then please come to the Government, come to the Department of Commerce and make certain that the party buying the computer in that country, whether it is China, Russia, or another Tier 3 country, is an end user or party that will use it for peaceful purposes.

Is that some outrageous suggestion—that before we sell this great capability, this supercomputer capability, to some entity in China or Russia that we take care not to sell it to the wrong person? I think most Americans would say, “Why would we have a Government, if you aren’t going to do something that basic to protect us?” Is there reason to be concerned about this?

Think about what we are selling. One supercomputer that was sold to Russia increased their computer capability 10 times. We took our genius, our technology, put it up for sale, and they bought it. And with that purchase they not only bought the technology, they bought a new capability—I am sorry to report capability which can be used for negative reasons, for reasons inconsistent with American policy, and as easily for peaceful reasons.

Some have said, “Don’t do the Cochran-Durbin amendment. It just involves too many sales. It would restrict too many supercomputer sales.”

Senator COCHRAN made this point. When you look at the sales to Tier 3 countries, which are the only countries affected by this amendment, there were 91 sales in the 15 months of new trade policy by the Clinton administration; 6.3 percent of the computers in question are at issue here. Is that too much to ask? That when we start to sell 6.3 percent of our computer sales to certain countries, we say, “Pause. Hold back. Let’s review and make sure that the entity buying them in the other country is a peaceful entity, that in fact it won’t be used against the United States.”

We have sold 47 supercomputers to China, another 20 to Hong Kong, and many to Russia as well. What have we learned about these sales?

I am sorry to report that four silicon graphic machines that were sold to Russia are now being used at Russia’s nuclear weapons labs; one silicon graphics machine in the Chinese Academy of Sciences, which on its face sounds harmless but it is a key part of China’s nuclear weapons complex; one Sun Microsystems machine we sold, we learned last week, is now running in a Chinese military facility after being diverted from Hong Kong.

What Senator COCHRAN and I are saying is, is it worth our effort and time to take care not to let these computers fall into the wrong hands? But, if you listen to the voices of business and the supercomputer industry, you would think that our suggestion was to stop sales of supercomputers. But it is not. In fact, it wouldn’t affect 93 percent of the sales already, and for the other 6.3 percent all we are asking is for time for review.

We received a letter in opposition to our amendment from the Secretary of Commerce, a man whom I admire very much. But I would have to say to the Department of Commerce and to the Department of Defense that it is not unreasonable for us to ask you to set

up a mechanism to make sure these computers don’t end up in the wrong hands.

I have received a publication from the U.S. Chamber of Commerce. Not surprisingly they don’t want any restrictions on this trade. They want U.S. companies to be able to sell whenever and to whomever they choose, and they don’t want the restriction of the Cochran-Durbin amendment. But I would say to my colleagues that it is a little disingenuous for them to argue that if we do not allow the sale of supercomputers which can be misused against the United States that we endanger American jobs. There is something larger at stake than American jobs. What is at stake here is American security. I would think that every worker in the computer industry or outside would want to make certain that, No. 1, we provide for the common defense. If I recall, that is part of a document that all of us consider to be illustrative of the goals of America.

Let’s address this issue about whether or not the Cochran-Durbin amendment in going after the 2,000 MTOPS model is talking about a garden variety of PC’s which people can pick up at the corner computer store and are today available in Senate offices. As one of my colleagues said, it is a common thing that shouldn’t be restricted. From what we are told 10,000 MTOPS is not common to them. The computers that are being sold right now are at a level of 200 MTOPS or 250 MTOPS. And even assuming that this industry, which is burgeoning and increasing its capability dramatically, should continue to increase the capability of these computers, Senator COCHRAN and I estimate that it will be more than 4 years before they all reach the end of the MTOPS stage. At least until that time shouldn’t we take care, be cautious, and be concerned about the danger of selling this capability? I think we should. I think it is a serious mistake for us to assume that if we do not sell these computers to our potential enemies some other country will.

When we asked the Department of Commerce and the Department of Defense this question they said, “Well, the only country likely to step in, if the United States doesn’t sell the computers, is Japan.” Incidentally, Japan has more restrictive export controls than the United States. So I wonder if we are really thinking very seriously about the potential ramifications.

It is very shortsighted to celebrate the sale of a computer to a country overseas, to celebrate the jobs that are created, and to ignore the reality that that computer may give a potential enemy capability—capability to manufacture, capability to test through computers nuclear weaponry, chemical weaponry, and biological weaponry. All of these things I think should be of great concern to all of us.

With all due respect to my colleague, the Senator from Minnesota, I would say that his amendment does little to

address the core problem here. To call for a study? Well, we have been at this for 15 months. If you want to know what has happened, we can give you the statistics. We can tell you what has occurred in terms of the sales actually made to China, to Russia, and through Hong Kong back to China. We know things have happened that we never wanted to happen. The idea that we can somehow evaluate this and then let those know who are interested really strikes me as a very weak approach.

Let me just say that the bottom line is that I know industry is in the business of selling. I think our Government and the Senate should be in the interest of not only encouraging sales but encouraging responsible sales.

When Senator COCHRAN and I come forward and say that for 6.3 percent of computers we want to make certain there is a review, that the end users cannot use that technology against us, I think that is a reasonable request.

I sat through the hearing. I wish some of my colleagues who oppose this amendment could have sat through it as well. I think they would have come away with the same impression that I did. The current liberal trade policy of supercomputers is going to create a situation which could one day come back and haunt America. We are giving to those in China, Russia, and other countries capabilities which we have worked hard to create and capabilities which unfortunately they may misuse.

We spend so much time in this body discussing the proliferation of weapons. We watch every move that the People’s Republic of China makes for fear that they are proliferating these weapons around the world. We have classified and unclassified briefings on the subject. And when it comes to the sale of hardware and technology, we step aside and say it is another story. It is not. It is the same story. It is the same concern, and should be expressed as such.

I hope my colleagues will take a hard look at this. It is not often that I break with the Clinton administration on foreign policy. But I think Senator COCHRAN is right. I think this policy should be subject to thorough review, and I think his amendment, which I am happy to cosponsor, is a step in the direction to make sure that we don’t turn loose to the world supercomputer technology and one day come to regret it.

I reserve the remainder of my time.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMS. I yield time to my colleague from California who is also a cosponsor of the amendment.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, thank you, very much.

Mr. President, will you tell me when I have used 10 minutes? Then I will wrap it up because I know the Senator from Missouri is waiting. We are very proud that he is here to speak in behalf

of the Grams-Boxer amendment. I am also proud to say that Senator DASCHLE, the Democratic leader has endorsed the Grams-Boxer amendment.

Mr. President, my colleague from Illinois started off his argument by quoting Lenin. He said Lenin said that "The capitalist will sell you the rope that you need to hang him." I never agreed with Lenin, and I don't agree now.

But, in addition, I really do believe that the Cochran amendment, as drafted, amounts to us hanging ourselves. What do I mean by this? I do not believe the Cochran amendment does anything to protect our national security. Rather, it harms it, I believe, a very substantial way, our international competitiveness in an industry that is leading America into prosperous times.

This is a view that is shared by Defense Secretary William Cohen, by Commerce Secretary William Daley, and our National Security Adviser, Sandy Berger. This bipartisan team has told us very directly that the Cochran amendment is harmful. I truly hope our colleagues will take a deep breath, step back and review these letters.

Mr. President, I ask unanimous consent that letters from the Secretary of Defense, the Secretary of Commerce, and the National Security Adviser be printed in the RECORD.

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

THE SECRETARY OF DEFENSE,  
Washington, DC, July 9, 1997.

Hon. TRENT LOTT,  
Majority Leader, U.S. Senate,  
Washington, DC.

DEAR MR. MAJORITY LEADER. I am writing to express my opposition to the Cochran-Durbin and Spence-Dellums amendments to the Fiscal Year 1998 Defense Authorization Act regarding supercomputer export controls.

While I understand the concerns that motivated these amendments, I believe they are unnecessary and would undermine the flexibility that we need to adapt to changing security requirements and technology trends. I am a strong advocate for effective export controls. To be most effective, we must focus our limited export control resources on the export of goods and technologies that can make a significant difference for national security and nonproliferation reasons. Therefore, in order to best serve our security interests, we need to maintain a system that allows us to adjust our controls when technology advances and when technology becomes widely available. Putting specific control levels into statute is not an appropriate means to meet these often fast-changing challenges.

We have a system and adequate authority under current law that can deal appropriately with unauthorized exports and diversions. In this regard, the Administration is aggressively and intensively addressing recently reported unauthorized computer shipments to Russia and China, using the full range of law enforcement and diplomatic tools available.

We remain committed to working with Congress to address these important matters in a manner that maintains the flexibility we need to preserve our security interests.

Sincerely,

BILL COHEN.

THE WHITE HOUSE,  
Washington,

Hon. TRENT LOTT,  
The Senate,  
Washington, D.C.

DEAR TRENT: I want to convey the Administration's strong opposition to Cochran-Durbin and Spence-Dellums floor amendments to the FY 1998 Defense Authorization Act concerning export licensing requirements for high performance computers.

First, we believe it is a mistake to set these export control limits in concrete by mandating them in statute, particularly in view of the rapid growth in computing power available worldwide. The amendment drastically undercuts our flexibility to adjust controls to keep pace with technological change—an extraordinarily rapid pace in the highly competitive area of computers—and with our ongoing evaluations of evolving security requirements.

Second, there is no need to legislate a revision to this policy. There are adequate administrative and enforcement means under current law to address problems that arise with U.S. computer exports. For example, with regard to the reported unauthorized computer shipments to Russia, both the Departments of Commerce and Justice are intensively investigating the shipments, and we are actively addressing the issue through diplomatic means. We also are issuing additional administrative guidance to U.S. exporters regarding impermissible end-users of proliferation concern. The Department of Commerce is reviewing all computer exports above 2,000 MTOPS (Millions of Theoretical Operations per Second) made since January 1996, including those countries in Tier Three such as China, India, and Israel. If problems are identified with any of these shipments, we have the legal and administrative means to address them and I can assure you we will use that authority.

The Administration remains willing to work with the appropriate committees of the Congress to address concerns regarding export controls.

Sincerely,

SAMUEL R. BERGER,  
Assistant to the President for  
National Security Affairs.

THE SECRETARY OF COMMERCE,  
Washington, DC, July 8, 1997.

Hon. TRENT LOTT,  
Majority Leader, U.S. Senate,  
Washington, DC.

DEAR SENATOR LOTT: I am writing to urge you to oppose the amendment to the Defense Authorization Act for 1998 authored by Senator Cochran concerning exports of high performance computers and support instead the alternative proposed by Senator Grams, which would provide an objective assessment of the effect of computer sales on our national security. The Administration opposes the Cochran amendment because it reflects a fundamental misunderstanding of the role of computer technology in the global marketplace and will seriously hurt the competitiveness of the computer industry without enhancing our national security.

The Cochran amendment seeks to roll back the President's decision in 1995 to permit the export of computers with a performance capability of 2,000 to 7,000 Million Theoretical Operators Per Second (MTOPS) to civilian end users in 50 countries, including China, Russia, India, Israel, and Pakistan, without advance approval from the government. The amendment would require individual government approval for each such export. (The President's policy currently requires individual approval for all exports of computers with a performance capability above 7,000 MTOPS to all end-users in those countries,

as well as for all exports or re-exports with a CTP greater than 2,000 MTOPS to military and proliferation end-users in Computer Tier 3 countries as defined in part 744 of the Export Administration Regulations.)

The President's decision was based on an extensive government review of advancements in computer technology and of our national security requirements that concluded (1) that computers with capabilities in this range would become widely available between 1995 and mid-1997, and (2) that critical defense applications that justified export controls were clustered at levels above 7,000 MTOPS. Information we have acquired since the decision supports those conclusions and suggests that, if anything, its forecast of foreign availability of these computers was conservative. The amendment would lock us into an export control policy that is already outdated and which could only be changed by legislation.

The Cochran amendment's proposed control levels are outdated because of the rapid pace of development of computer technology and the widespread availability of the semiconductors that run these machines. In late 1995, single processors with a performance capability between 400 and 600 MTOPS were available, while today such processors are commercially available at over 1000 MTOPS. At the beginning of the Clinton Administration, machines performing at over 195 MTOPS were defined as "supercomputers." Today, many desktop PCs exceed that level. These computers are not controlled for export and are manufactured in many countries throughout the world. It is relatively simple to upgrade existing machines to higher levels by adding processors. In addition, connecting lower level PCs that are not controlled for export—known as "distributed parallel processing"—can permit them to function with the capability of a single larger machine.

Attempting to stop the spread of computers to selected countries at the Cochran amendment levels would be exceptionally difficult and not the best use of our nonproliferation resources. We can control proliferation of weapons of mass destruction more effectively by concentrating our resources on "choke point" goods and technologies—those items without which a weapon cannot be built or delivered. Those items, by virtue of their specialized use, often have a limited number of producers and can be effectively controlled through multilateral agreements. Such items also can be controlled through unilateral action if necessary.

At the same time, I want to make clear that the Department of Commerce takes violations of our export control law and regulations very seriously and is prosecuting them aggressively. We have sufficient authority in current law to do that and are also taking a number of steps to help industry better meet its responsibilities. The Bureau of Export Administration (BXA) is reviewing all computer exports in the 2,000-7,000 MTOPS category; where there are concerns, BXA has initiated investigations; where investigations show that a U.S. law may have been broken, BXA has promptly referred the matter to a U.S. Attorney's office for prosecution; BXA has published the names of organizations and other entities involved in activities of proliferation concern (such as nuclear proliferation) to whom dual use exports will require a license; and BXA is re-doubling efforts to educate companies on their obligations to know their customers.

I hope you will vote against the Cochran amendment and for the Grams substitute. If you have questions about the technology or

our policy, I would be delighted to arrange a briefing for you.

Sincerely,

WILLIAM M. DALEY.

Mrs. BOXER. Mr. President, let me share with my colleagues part of the letter the Secretary of Defense has written in opposition to the Cochran-Durbin amendment and the Spence-Dellums amendment. Secretary Cohen says, "I believe they are unnecessary and would undermine the flexibility that we need to adapt to the changing security requirements and technology trends." He goes on to say, "We have a system and adequate authority under current law that can deal appropriately with unauthorized exports and diversions."

The Secretary of Commerce is very strong on this point. He says the Cochran amendment's proposed control levels are outdated because of the rapid pace of development of computer technology, and the widespread availability of the semiconductors required to run those machines.

From the National Security Adviser, Samuel Berger, we hear this. "We [referring to the Administration] believe it is a mistake to set these export control limits in concrete by mandating amendment of statutes, particularly in view of the rapid growth in computing power available worldwide."

He continues, "[the Cochran amendment] drastically undercuts our flexibility to adjust controls to keep pace with technological change \* \* \*."

I think what we see here in this debate is the bipartisan effort here to ask our colleagues in the Senate to really look at the Cochran amendment and to realize that it will really simply hurt us.

It reminds me of someone who wakes up in the morning feeling great, everything is going well, and then they just knock themselves in the face, knock themselves out. For what reason? There is absolutely no reason.

There is no reason to put these controls back on these midlevel computers. The current policy that is in place did not occur in a vacuum. The decision to decontrol was based on the collective wisdom and judgment of the Department of Commerce, the Department of Defense, the State Department, intelligence agencies, and the Arms Control and Disarmament Agency. And the decision to decontrol the chips, that run the computers, was made by the Bush administration. Why were those decisions made? They were made because computers in the 2,000 through 7,000 MTOPS ranges are mid-level computers that are widely available. They are not supercomputers.

Let me repeat this because I know there is a lot of confusion on this issue. Computers in the 2,000 MTOPS through 7,000 MTOPS range are not supercomputers. In fact, many computer servers will top the 2,000 MTOPS threshold next year.

A server is the central computer in an office, and it holds information

which all of the other computers in the office can access. It is expected that next year a number of law firms, distribution centers, dentist's offices, doctor's offices, car dealers, police departments, and even congressional offices will be using servers at the 2,000 MTOPS level. Yet, if the Cochran-Durbin amendment were adopted, we would reimpose export controls on computers that we may be using right here in the Senate next year.

Technology is advancing, as Secretary Cohen noted. It is being developed and is moving forward at a very rapid pace, not only in this country, but in other countries as well. We cannot stop it, nor can we slow it down.

So it seems to me, Mr. President, our export policy should move forward, to keep pace with technology rather than move backward. By reimposing export controls on midlevel computers, as called for in the Cochran amendment, we would in fact, however, be moving backward. Moving backward, Mr. President, without a clear national security rationale for so doing. That is not coming from Senator BOXER or Senator GRAMS or Senator BOND. It is coming from Secretary of Defense William Cohen. It is coming from Samuel Berger, the National Security Adviser.

Our goal as policymakers should be to establish export policies which are efficient, effective and competitive while also ensuring that our national security objectives are maintained. Current law achieves that objective.

Does this mean we should allow companies to sell any computer at any level to any country notwithstanding our national security interests? Of course not. Our national security interests are paramount. They are paramount. Our export policies absolutely must ensure that our foreign policy and security objectives, particularly as they relate to nonproliferation and counterterrorism, are maintained.

The Cochran-Durbin amendment, however, restricts our export competitiveness without furthering our national security objectives. Let me explain why the Cochran-Durbin amendment will not further our national security objectives.

First, the independent study conducted in 1995 concluded that exports of computers in the 2,000 to 7,000 range, destined for civilian use, posed no national security risk. The Cochran amendment, however, would severely restrict the sale of these computers to foreign commercial users because, as my colleague Senator GRAMS has so clearly stated, it takes an average of 107 days for the appropriate agencies—Commerce, Defense, State, and others—to issue export licenses on these mid-level computers. To buy a midlevel computer if you were a person who went into the store in, let us say, a city in Israel; that is one of the Tier 3 countries that would be impacted here.

Let me pose a question, and I think anyone can answer it. If you were a businessman in, let us say, Israel, that

is one of the Tier 3 countries that would be impacted under the Cochran amendment, and wanted to purchase a computer from a United States manufacturer, but you were told that the United States manufacturer from whom you wanted to purchase the computer would have to wait an average of 107 days to get an export license to ship the computer, would you purchase that computer from the United States manufacturer, or would you opt to purchase a similar computer from a Japanese manufacturer? Clearly, the answer is that you would purchase from the Japanese manufacturer and not the American manufacturer.

Now, if there was any national security reason for this, I would be standing here arguing for it. But I do not see what national security objective is furthered when an Israeli dentist cannot go buy a computer for his office. I frankly do not see it. Second, we also know that sophisticated advanced nuclear weaponry design is not conducted on midlevel computers in the 2,000 through 7,000 range. And again, as my colleague Senator GRAMS, has clearly stated, the computers are just boxes. It is the chip inside the computer which makes the difference, and those chips were decontrolled under the Bush administration.

Third, and I alluded to this earlier, we know the Japanese make these computers. We also know companies in France, Taiwan, the United Kingdom, and Germany all manufacture computers in the 2,000 through 7,000 MTOPS range.

And how about this? China is producing computers at the 13,000 MTOPS level, far above the level which the Cochran amendment seeks to control.

So what are we doing here? We are hurting one of the most robust and important industries in our country, and there is no reason to do it. We cannot control the uncontrollable. If we were the only ones in the world that made these computers, this debate would be worth having, but we are not.

The PRESIDING OFFICER. The Chair will inform the Senator from California that she has now consumed 10 minutes.

Mrs. BOXER. I thank the Chair. Will you tell me when I have used 3 more minutes and then I will yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. So we cannot turn back the hands of time. All of those countries make these computers already. We are hurting ourselves for no rational purpose.

Finally, in analyzing this issue, I think it is also important to consider whether we as Senators have the expertise to determine what makes a supercomputer. I really believe we do not have that expertise among us. The Secretary of Defense has all of that expertise at his disposal. The National Security Adviser has all of that expertise at his disposal. The Secretary of Commerce has all of that expertise at his

disposal. And each opposes the Cochran amendment. So I do not think that any of us, individually or collectively, possess the knowledge to make that kind of determination. I think the fact that we have Senators referring to a 2,000 MTOPS computer as supercomputer evidences that fact. We know that 2,000 MTOPS computers are not supercomputers because the experts have concluded otherwise.

So I hope that my colleagues will join the Democratic leader and will join us and vote for the Grams-Boxer amendment. I think we should study this issue further and defer to the Secretary of Defense and to the intelligence agencies. I think that would set us on the appropriate course.

I thank my colleague for his generosity, and I yield back to him.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I thank my colleague from California for that excellent statement, and I appreciate her support on this amendment as well.

Mr. President, I would like to now yield time to the Senator from Missouri [Mr. BOND] for whatever time he may consume.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished manager of the amendment.

As a former chairman of the Banking Subcommittee on International Finance, it is a pleasure to rise in support of the amendment offered by the current chair of that subcommittee and the current ranking member. We spent a lot of time in the International Finance Subcommittee trying to figure out what export controls work and what controls do not work.

Let me tell you something, Mr. President. The one thing that we have learned is we do not spend enough time in dealing with the truly cutting-edge technology, the major supercomputers that need to be controlled. And why? Because we spend too much time on things that are readily available in Radio Shack in the United States or similar stores throughout the world. Why are we wasting our time trying to control something that any attaché from an Embassy can walk into a store here in the United States and pick up and send home or can be found in a store in almost any major city in the world.

Two years ago, the Clinton administration put to an end the requirement that a U.S. exporter of computer technology attain a Commerce Department license prior to selling computer equipment with a capacity greater than 2,000 MTOPS to any Third Tier nation—2,000. We need to keep these numbers in mind and, unfortunately, there are a lot of numbers going to be thrown around. We are talking about the range of 2,000 to 7,000.

Now, the administration arrived at this decision at the conclusion of a detailed study by a professor at Stanford University conducted in association with the Department of Defense and the Department of Commerce. These parties concluded that the marginal benefit to national security cannot justify requiring U.S. exporters of technology at this level to be licensed for sale to nonmilitary users. Acting on the conclusions of this very credible source and with the concurrence of the Defense and Commerce Departments, the administration rolled back the regulatory requirement that the first-degree amendment of the distinguished Senators from Mississippi and Illinois would seek to reimpose. In spite of my great respect for my esteemed colleagues from Mississippi and Illinois, let me say that rolling back the decontrols is unwise and misdirected policy, and I hope that our colleagues will join us in supporting the second-degree amendment.

The policy of the legislative change in the first-degree amendment quite simply cannot be policed, it cannot be enforced, it is ineffective, and it does little to contribute to our national security. I might add, "harsh letter to follow." I think if you would take those four points—it cannot be policed, it cannot be enforced, it is ineffective, and does not contribute to our national security—it does harm our economic competitiveness. It does take away jobs from Americans.

The question here is about computer technology, but it is also about computer chips. Dozens of computer chips with a typical capacity of 650 MTOPS are available commercially all over the world—650 MTOPS. I happened to stop by the candy desk, and I picked up four pieces of candy. Each one of these could hold a computer chip wrapped in a couple of layers of protective shipping material. Four 650 MTOPS chips would give you the capacity of 2,600 MTOPS—600 MTOPS above the level. If these were four computer chips, that would give you more computing power than the minimum amount to be licensed in sales under this first-degree amendment. I am told that anyone with the know-how, basic electronic know-how, can fashion these chips together in a computer with capacity that is far greater than that which would be regulated under this amendment.

I cite this example to show that it is nearly impossible to prevent the transport of certain technology particularly when it can be carried out of the country in somebody's pocket. It is simply fruitless to attempt to control technology at this level through export control measures.

Now, the proponents and my friend from Illinois have talked about sales of supercomputers to our adversaries. If that is what we were talking about, if we were talking truly about supercomputers, I would be on their side because I do not think we ought to be

selling supercomputers. Supercomputers that do military work these days are 20,000 MTOPS to 650,000 MTOPS. They are talking about computers 10 times, 10 times the range that would be covered by this regulation.

Now, the Senator from Illinois said that the servers we have in our offices are about 200 to 250 MTOPS. I just checked with the computer center, and the Pentium server that we have in our office to do such sophisticated things as handle the mail and try to get the split infinitives out of the letters my staff prepares for me and handle memoranda and keep the books in our office is a 1,500 MTOPS computer. That server is 1,500, just under the level that would be regulated. And we do the high-technology stuff like keep the mail and send e-mail messages. I have even learned how to use it. That is how simple it is.

With little benefit to national security, the first-degree amendment's proponents are preparing to deliver a serious blow to the American computer industry. With very little to show for it, the advocates of this amendment are advocating the subjection of the entire computer industry to a cumbersome bureaucratic process and a significant regulatory burden. Our competitors certainly will not be joining us in this effort. To the contrary. When they have concluded their celebration and breaking open the champagne bottles to celebrate their capture of this market, they will use this opportunity to leave our manufacturers in the dust. While perhaps our most dynamic industry is forced to comply with added regulatory obstacles, our competitors will be selling to our country's former customers.

This amendment, Mr. President, is a blow because it is not regulating the sale of supercomputers. The technology we fear will be employed to upgrade weapons systems. The amendment actually regulates the sale of technology on the level of an office server or an office workstation, a tremendous market for our manufacturers. In a short period of time, this amendment will be regulating personal computers and we will be doing it by legislation that will have to be changed. You know how quickly we change things around here. Not that quickly.

Many levels of technology far below that which pose national security risks will be subjected to this policy. Leadership in the computer industry is incredibly important to the prosperity of this country. We cannot afford to foreclose those markets. The disadvantage to our producers on the world market cannot be understated. The potential loss of U.S. jobs cannot be underestimated. And the risk to our leadership in the industry should not be jeopardized in this manner.

I do not take lightly the reports of technology being diverted to unauthorized military users. This is a serious matter that requires our attention. That is why it is important to study

the 1995 decontrol and evaluate its effectiveness. I believe that we will find that it was unlikely that these transfers could have been prevented and that they are an inevitable byproduct of the world market. But, should it be concluded that decontrol is a threat, corrective measures can and should be taken in a prompt fashion. They can be taken administratively. However, to backtrack today with a legislative enactment would be a mistaken rush to judgment and risks placing our companies at a significant competitive disadvantage.

It has already been pointed out, and I believe the Senator from California has offered into the RECORD the opposition of the Department of Commerce, the Department of Defense, the administration, and several of my colleagues. I note just one provision in the letter from our former colleague, the former Senator from Maine now the Secretary of Defense, Bill Cohen. He says in that letter:

I am a strong advocate for effective export controls. To be most effective, we must focus our limited export control resources on the export of goods and technologies that can make a significant difference for national security and nonproliferation reasons.

Mr. President, that is the gist of this whole thing. We should not be focusing our efforts on things that are readily available commercially. I agree with the Secretary of Defense that we ought to concentrate our efforts on the true supercomputers and make sure that those, not office workstations, are kept out of the hands of potential adversaries.

We need to be selling to countries like Israel workstations and office things, personal computers, that would, if the first-degree amendment were adopted, be subject to a lengthy licensing process.

Mr. President, I urge my colleagues to support the second-degree amendment of the chairman of the subcommittee, my friend from Minnesota. I thank the Chair and I yield the floor.

Mrs. FEINSTEIN. Mr. President I rise today in opposition to the Cochran/Durbin amendment to the Defense Authorization bill. The amendment would bar the sale of many types of computers, denying export opportunities for American firms, shifting high-technology sales to international competitors and flooding the Commerce Department with export applications for routine computer sales.

Rather than impose new restrictions, the Senate should adopt a substitute amendment, offered by Senator ROD GRAMS of Minnesota and my California colleague BARBARA BOXER. The Grams/Boxer substitute would:

Require the Commerce Department to improve its licensing process and provide more information to exporters, assisting exporters to identify suspicious potential purchasers and avoid questionable sales.

Require the General Accounting Office to study the impact of proposed ex-

port restrictions and the impact of foreign availability of computers on U.S. exports.

Rather than restrict a broad range of computer exports, the Grams/Boxer substitute amendment will help the administration and exporters distinguish between the potentially damaging sales that place us at risk and the routine computer sales.

#### EXPORT CONTROLS MUST APPLY TO THE RIGHT COMPUTERS

Since the 1940's, the United States has controlled the export of dual-use technology, advanced technology which has both defense and nondefense applications. These restrictions are appropriate, because we all want to keep critical military technology out of the hands of potentially hostile militaries.

However, technology advances rapidly. What was called a supercomputer only a few years ago, represents only routine computing power today. We cannot lock up U.S. exports and deny the administration the necessary flexibility to respond to evolving technology and worldwide competition.

In 1993, the administration conducted a thorough review, involving the Departments of State, Defense, and Commerce, intelligence agencies and the Arms Control and Disarmament Agency. The resulting U.S. policy permits the export of computers capable of 2,000 to 7,000 million theoretical operations per second [MTOPS] for Tier 3 countries. Among the more than 50 tier 3 countries are the countries of the former Soviet Union, Israel, Saudi Arabia, India, and China.

Export restrictions must be based on an objective review of a computer's computing power and the computing needs of the potential computer application. As Defense Secretary Cohen stated, "we need to maintain a system that allows us to adjust our controls when technology advances and when technology becomes widely available. Putting specific control levels into state is not an appropriate means to meet these often fast-changing challenges."

#### THE COCHRAN/DURBIN AMENDMENT IS OVERBROAD

The Cochran/Durbin amendment would prohibit the export of computer of 2,000 to 7,000 MTOPS from being exported to any Tier 3 country without an export license. The amendment is overbroad and will deny sales for U.S. companies and undermine our long-term national security needs.

The amendment will restrict the sale and export of ordinary work stations and computers, not just supercomputers. Many low-level work stations currently exceed the 2,000 MTOPS level, and are found in offices, ranging from law firms to auto dealerships, across the country. By 1998, personal computers will exceed the 2,000 MTOPS level and would be subject to the amendment's licensing requirement. At a time when many have urged the complete abolition of the Commerce Department, the Cochran amendment will

trigger a flood of export applications for new categories of common computers.

#### THE RESTRICTIONS WILL NOT INCREASE NATIONAL SECURITY

The proposed amendment will not enhance U.S. national security. In 1995, the administration's review concluded computers of 2,000 to 7,000 MTOPS were widely available throughout the world and no longer considered to be a critical choke point for technologies used in the design, testing, or production of weapons of mass destruction.

However, if U.S. firms are denied the sales, manufacturers in other countries are prepared to fill the void. Computers in the 2,000 to 7,000 MTOPS range are manufactured in Japan, as well as 4 European companies. China reportedly produces a 13,000 MTOPS computer, while Russia and India also already produce computers more powerful than those the amendment would seek to control. The proposed restrictions will not keep technology out of the hands of countries posing national security concerns. The proposed restriction will be ineffective, denying many legitimate transactions for valid purposes, while allowing military testing proceeds through other means.

#### EXPORTERS NEED MORE INFORMATION

Under current law, the manufacturers of computers are caught because the Commerce Department cannot release the name or circumstances when an export license application is rejected. The notice of the rejection of a license is only provided to the individual exporting applicant.

As a result, when a U.S. exporter's application is rejected, the suspicious purchaser is encouraged to pursue alternative sellers and provide false information to support the sale. If potential U.S. exporter could receive more information, potential sales to suspicious purchasers could be detected earlier.

#### CONCLUSION

I urge my colleagues to reject the Cochran amendment. The amendment will impose unnecessary restrictions on routine computer exports and undermine our national security in the long-run by shifting more sales to international competitors, many with weak or no export control laws at all.

Rather than impose new restrictions, the administration should provide more information to potential exporters to assist in the identification of suspicious potential purchasers.

The Grams/Boxer substitute will offer the appropriate incentives, while providing the administration with the authority to distinguish between sales that jeopardize national security and those that do not. While the administration needs flexibility to focus attention and resources on priority export applications, the Cochran amendment will divert attention and resources away from high-priority areas, truly placing our national security at risk. The Cochran amendment should be rejected.

Mr. KERREY. Mr. President, I rise today in support of the Grams second-degree amendment. Today, America leads the world in the development and production of high performance computers and our commercial interests in promoting exports of these machines is strong. To restrict the export of computers at the level set by the Cochran amendment would unnecessarily hurt our companies without promoting our national security.

I, like all other Senators, am concerned about how the export of advanced technology affects our national security. Recent press stories have made it all too clear that potential adversaries wish to acquire American technology to assist their military efforts. In addressing this issue, however, policymakers must strike a balance between the interests of American companies and what is required to ensure our national security. This is never an easy task and is made more difficult with the rapid pace of development in the computer industry. We need to be diligent in our efforts to try and match our policies to what is occurring in that industry.

Supercomputers are integral to the development of advanced weapons development. Therefore, our policy which restricts the export of the most powerful computers is necessary and warranted. However, the performance level of the computers that the Cochran amendment seeks to control does not reach the extreme speeds of true supercomputers. The Cochran amendment imposes controls on computers operating at 2,000 to 7,000 million theoretical operations per second [MTOPS].

Today, a computer that operates at 2,000 MTOPS is considered a mid-level workstation. The next generation of chips may allow Senators to have machines capable of that speed on their own desks by the end of next year. High performance computers start at 10,000 MTOPS and go up to 1,000,000 MTOPS. Supercomputers are machines that operate above 20,000 MTOPS and require validated export licenses under the current policy.

In 1995, an extensive Government review of computer technology determined that critical defense applications required machines that operated above the 7,000 MTOPS level. Further, it was determined that machines that operate below the 7,000 MTOPS level would soon become widely available from foreign suppliers. The administration then proposed its current policy, which has strong restrictions on the sale of computers that operate above the 7,000 MTOPS and lesser restrictions on machines that operate below that level. This decision was reviewed and approved by the Defense Department, the State Department, ACDA, and the intelligence agencies. Information gathered by our intelligence community since that decision was made support keeping the export policy in its current form.

Today, companies in Germany, Italy, France, India, Japan, and Poland are

selling computers that operate in the 2,000 to 7,000 MTOPS level. And the performance level of the computers foreign companies produce continues to grow. Even if availability of these machines were a legitimate risk to national security, which it is not, restrictions on American companies seeking to export computers in this range would have little or no effect on the ability of foreign militaries to acquire this technology.

Further, simply placing license requirements on the sale of these computers would place American companies at an unfair disadvantage. We all know that sales of technology or any commodity depend on the speed of delivery. Foreign customers will not wait a week for an American company to receive a license if another vendor can deliver the same quality machine tomorrow.

Critics of the current policy believe its implementation has allowed computers to be diverted to illegitimate end users. The Commerce Department has not informed companies what foreign customers should or should not receive this type of computers and places the burden on the companies to acquire this information. However, how well a policy is implemented does not necessarily reflect on the prudence of the policy. If there have been problems in how our current export policy is implemented, recent changes made by the administration and measures imposed by the Grams amendment should help fix them.

I agree with Senator GRAMS that we should continue to evaluate our computer export policy and how foreign availability affects U.S. exports. We should also make it easier for companies to know which foreign companies, militaries, and nuclear end users should not receive our technology. I believe the current policy has been set at a level which both promotes American commercial interests and helps protect our national security. I urge my colleagues to join me in supporting the Grams amendment.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. How much time remains on both sides, Mr. President?

The PRESIDING OFFICER. The Chair will advise the Senator from Mississippi that 8 minutes 53 seconds remain under his control of time, and 9 minutes 42 seconds remain under the control of the time of the Senator from Minnesota.

Mr. COCHRAN. Mr. President, does the distinguished Senator from South Carolina wish time on the amendment?

Mr. THURMOND. Mr. President, on behalf of Senator COCHRAN, I ask unanimous consent that the Senator from Maine, SUSAN COLLINS, be added as a cosponsor of the Cochran amendment.

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

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished chairman of the Armed Services Committee for his contribution to the understanding of this issue and for his cosponsorship personally of the amendment and his announcement that the distinguished Senator from Maine, Senator COLLINS, is now a cosponsor of the amendment. This indicates that we have a broad base of cosponsors for the Cochran amendment, which means, if you are for the Cochran amendment, you would vote against the Grams and Boxer substitute for the Cochran amendment, because their amendment undermines the effort to impose a change in the current policy to require simply that our Department of Commerce approve sales of computer technology and computers by U.S. firms to overseas customers that have a computing capability of between 2,000 MTOPS and 7,000 MTOPS, if they are certain kinds of countries called Tier 3 countries, to ensure that they are not military users or that the computers will not be put to a military use.

The problem with the current policy is that the Department of Commerce is leaving it up to the U.S. exporters to make this determination now. Some have gotten into trouble because some, like Silicon Graphics in California, are now under a grand jury investigation because of sales made to questionable users in violation of the current policy. The question is whether they knew or should have known that the end use was going to be military or the end user was going to be military; whether they exercised that degree of diligence required by the current policy.

Do we want to continue that kind of policy that puts at risk all of our computer companies when engaged in these international sales? I say no. It is time to put the onus, not on the computer company trying to make a sale abroad, but on the Department of Commerce, which has the responsibility of administering its own policies. But they are shifting their burden to the exporter, away from the Government, and this is causing difficulty. It has resulted in seven very sophisticated, high-end supercomputers being used now by the Chinese Academy of Sciences, an arm of which is involved in the modernization of the Chinese nuclear weapon program and capabilities. In Russia, the chairman of the equivalent to the Atomic Energy Commission there, boasted that they now have a supercomputer with a potential previously unknown, because of U.S. technology exports to Russia. That is the entity that modernizes and maintains the nuclear weapons of Russia.

What we are unwittingly doing by carrying forward and going forward with this policy with no change, which is what the Grams amendment basically suggests, it says make a list, tell

everybody who they should not sell to—you cannot do that. You cannot possibly make a list and put down all the fronts for the People's Liberation Army or others who might be involved in either developing new weapons of mass destruction or exporting the technology for these weapons: North Korea, Iran, other countries and nation-states that we know now are developing more and more sophisticated and lethal weapons of mass destruction capability, with delivery systems. We know that is going on.

Here we are providing the technology to do simulations that they cannot do now without our technology. They cannot buy this. They cannot buy this from any other country except the United States. And we are leaving it up to U.S. exporters, saying our policy depends upon the good intentions and the capabilities of our U.S. civilian companies to determine these end uses and end users, who they are, what they are going to do with the technology, whether or not they are going to transship it to some other entity.

There are facts on the record, as a result of hearings held in our subcommittee that has been looking at proliferation issues all year, that are overwhelming and completely persuasive on this point. This policy ought to be changed. The only way Congress can influence change is by adopting a change, by doing so in this amendment. We cannot issue a regulation. We cannot make an administrative policy change here in the Senate. We can ask them to do it. We have already done that and it has not resulted in the change that is necessary. It is simply if you were a suspicious end user, we want the Department of Commerce to certify that it is OK to make that sale.

The Senator from California correctly discusses whether or not some of our closest allies are going to be adversely affected by this amendment. Israel has been purchasing computer technology under existing policy with licenses from the Department of Commerce. That is going to continue. That is not going to change. There is not going to be any slowdown in the process if someone is a trusted ally or friend. We don't even require licenses for our NATO allies. They are Tier 1 countries. But the Tier 3 countries—that includes China, Russia, and a lot of other countries—do have to have the approval of the Department of Commerce under our amendment if the computer capability is within a certain range.

These are not PC's. The Senator from Missouri, and my dear friend, suggests that this is like the PC's on our desk, at our workstations in our offices. He is talking about the Pentium server, that is the network, the hardware for the entire network. I know he did not mean to misrepresent it, but you have to understand what he's talking about. He has acted like an attaché walks into Radio Shack and buys one of these computers that has an MTOPS speed

and capability that would be described in this amendment. That is not true. You cannot do that.

First of all, an attaché could not afford it. These are expensive. The fact is, we are talking about only 6.34 percent of the total supercomputer sales that would be affected by this amendment. Mr. President, 95 percent of all of the sales have been approved within 30 days that do require licenses. The Senator from Minnesota said it is over 100 days you had to wait to get approval. That is not borne out by the facts, by the testimony before our subcommittee by the people at the Department of Commerce.

So I am hopeful that Senators will think carefully about what we are trying to do. I know the computer companies are putting a lot of pressure on, sending everybody messages and phone calls and the rest. I would not want to have to go through another process. But we are talking about only such a small part of the market, a small part of those manufactured workstations and other large pieces of hardware that have the potential to be used to upgrade lethal weapons systems and missile systems to make them more accurate, to make them more lethal, to make them competitive with the U.S. arsenal that is designed to protect us. And we are going to put at risk our own system of national defense? We can't do that.

Mr. President, I urge Senators to vote against the Grams-Boxer amendment and then vote for the Cochran-Durbin amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Minnesota.

Mr. GRAMS. Mr. President, I inquire how much time is remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 9 minutes 42 seconds remaining, the Senator from Mississippi has 25 seconds.

Mr. GRAMS. Mr. President, I want to make one brief comment before I ask to yield time to my colleague from New York.

I want to say our friend and colleague from Mississippi has a well-intended amendment, but it is aimed at the wrong level. These are not supercomputers, as they continue to try to say. These are midlevel computers. If you are talking supercomputer, a low-end supercomputer starts at 20,000 MTOPS and goes now to 650,000, and next year it will be over a million; so these are not supercomputers.

Mr. President, I now would like to yield up to 7 minutes to my friend from New York.

The PRESIDING OFFICER. The Senator from New York is recognized to speak for up to 7 minutes.

Mr. D'AMATO. Mr. President, let me first say there are very few colleagues for whom I have greater respect and who are more knowledgeable in the areas of national security than the distinguished senior Senator from Mississippi, Senator COCHRAN. Indeed, he

raises a very valid and natural concern that we have with respect to nuclear proliferation and the ability to enhance systems by way of the computer, the supercomputer in particular, and the need for proper balance in terms of export controls. That has been something which the Banking Committee has had jurisdiction over and has grappled with over the years. So, while I am sympathetic to the concerns that are raised, I just have to think that the issues of computer sales to foreign countries, as Senator COCHRAN has made clear to the Senate, is one that is so important that it really deserves much more analysis and much more debate than can be allowed for this floor amendment.

Indeed, as the chairman of the Banking Committee's International Finance Subcommittee, I believe that Senator GRAMS has offered an amendment that is worthy of our support, because what it would do, it would allow the entire Senate to ascertain, by way of the kind of comprehensive analysis that we need by the General Accounting Office as it relates to what security needs may be open at the present time, what concerns are related to the sales of the high MTOPS computers to Tier 3 countries and what impact they may or may not have on this legislation that has been proposed.

I think Senator GRAMS' amendment is the proper way to proceed, to give us an opportunity, not to just dive in after 45 minutes or 1 hour's worth of debate. We need the careful scrutiny, the careful study, to ascertain is there an availability of these computers to such an extent that this really becomes a meaningless impediment to our own trade? Will there be other countries in Europe and other areas that will rush to fill the vacuum? That is what I have been told. That may not be correct, but let's ascertain, let's find out. That is what Senator GRAMS' second-degree amendment would accomplish.

It seems to me that makes sense. It would require the Commerce Committee to publish a list of questionable military and nuclear end users, with certain exceptions when sources and methods would be jeopardized. That is what we have to know.

Let me depart just for a moment, if I might. If we want to do something as it relates to nuclear proliferation, let's say to some of those countries who are looking to get most-favored-nation trading status, or continue it, that you cannot be exporting—when we know they are exporting—the kind of missile systems and delivery systems which China is today exporting.

That becomes something of a controversy. Let's find out how many of my colleagues are going to be willing to stand up to the business interests who look the other way and don't look at our national security interests or don't look at the abuse of human rights and the crackdown on religious freedoms that take place now or the forced sterilization of people. That is

what is going on in China. They present, Mr. President, a very real and clear and present danger to the security of the world and to world peace by exporting to Iran and to other countries delivery systems and all kinds of enhancement of weapons systems which will endanger world peace.

If we really want to do something, let's take that up, but to simply come forward at this point in time without the proper kind of analysis—again, Senator GRAMS should be commended because his second-degree amendment would say, "OK, let's make a detailed analysis," and not come down on the floor and raise this. I think this is what we have to do.

So not only on a jurisdictional basis would I have problems supporting the Cochran amendment, but basically on the basis of fact. I don't think we should just raise jurisdiction and say, "That's within my committee, and, therefore, I want it to come through my committee." I sometimes get upset about that. If it is good legislation, so what if it didn't come through the committee process properly, particularly when we are talking about matters of national security. So I don't just raise that, but it does need the kind of careful thought, careful analysis that Senator GRAMS' amendment calls for.

For that reason, I hope that we support overwhelmingly this cautious approach to making analysis of whether or not the export of the MTOPS to Tier 3 countries should go through another process with Government bureaucrats analyzing and never coming to a decision. I think that would be a mistake.

Again, let's take a look at China: \$50 billion surplus in trade, and yet she does what she wants, and she claims she wants friendship with us. I think on the altar of the almighty dollar, we just continue business as usual. I am more concerned about saying to them, "You can't be our friend on one hand, you can't be enjoying a \$50 billion trade surplus with us and then have a half a billion dollar industry that your generals are running," and we say, "Oh, no, don't rock the boat."

Do we really want to stop nuclear proliferation? Do we want to stop the export of deadly weapons systems? Let's do it when we have some clout, and we do have some clout. But I am afraid we will succumb to those who say, "Oh, we can't do this, we'll lose a lot of jobs here in this country if we stand up to that kind of activity."

Mr. President, I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I yield another minute to my colleague from California and coauthor of this amendment.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I want to say to my colleague, it has been a pleasure working with him and his

staff. I think that what we are offering here is a very wise alternative to an unwise policy. I am looking at the Tier 3 countries, and my colleague from Mississippi said there is no difference in what will happen to Israel under this amendment than under current law. It isn't true. Tier 3 includes Israel, Romania, who wants to join NATO, Latvia, and other countries. If a business wanted to buy a computer that fell in the 2,000 to 7,000 MTOPS range, which we have already established is mid-level computer, and we are going to have them right here in the Congress next year, then that business would have to wait an average of 107 days.

Mr. President, this Cochran amendment is kind of a "Back to the Future" amendment. It might have some application if it was offered many years ago, but it doesn't have any application now. I think the Grams-Boxer amendment, which has so much support from Secretary Cohen, from Sandy Berger, from Secretary Daley, from so many Senators on both sides of the aisle, I think that is the appropriate course to take. I really hope that our colleagues have listened, and I hope that the Grams-Boxer amendment prevails. I yield back to my colleague.

Mr. GRAMS. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 55 seconds, and the Senator from Mississippi has 25 seconds.

Mr. GRAMS. Mr. President, in wrapping up the debate this morning, I want to, again, say that I believe the controls we have in place are working. We are taking a step backward if we approve the Cochran-Durbin amendment. The rest of the world is moving forward very fast. Anybody who has bought a computer in the last 2 years knows that technology has already passed them, and they have to look at a new system. But between the 2,000 and the 7,000 MTOPS level, computers are going to become so commonplace that any commercial industry or any office in this country will be able to buy them next year. These are well intended controls but, again, as I say, placed on the wrong levels. These are not supercomputers. These are not computers that countries would be looking for military end use. These are computers that are more for business and office use. I believe that putting any kind of restrictions or recontrolling these would be a step backward in our efforts to provide jobs and assistance.

Mr. President, I yield back the remainder of my time.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, at the outset of the debate, I made a speech that lasted about 20 minutes. It is in the RECORD, so I am not going to make it again. I will try to make it in 25 seconds.

We are limiting export controls in a very small area of lethal computer

technology. Please vote against the Grams-Boxer weakening amendment and support the Cochran-Durbin-Thurmond-Glenn amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the second-degree amendment No. 422. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announced that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 72, nays 27, as follows:

Rollcall Vote No. 166 Leg.]

YEAS—72

Akaka	Faircloth	Leahy
Allard	Feinstein	Levin
Ashcroft	Frist	Lieberman
Baucus	Gorton	McCain
Bennett	Graham	McConnell
Biden	Gramm	Moseley-Braun
Bingaman	Grams	Moynihan
Bond	Grassley	Murkowski
Boxer	Gregg	Murray
Breaux	Hagel	Nickles
Brownback	Harkin	Reed
Bryan	Hatch	Reid
Bumpers	Helms	Robb
Byrd	Hollings	Rockefeller
Campbell	Hutchison	Roth
Chafee	Jeffords	Santorum
Cleland	Johnson	Sarbanes
Conrad	Kempthorne	Shelby
Craig	Kennedy	Smith (OR)
D'Amato	Kerrey	Thomas
Daschle	Kerry	Torricelli
Domenici	Kohl	Warner
Dorgan	Landrieu	Wellstone
Enzi	Lautenberg	Wyden

NAYS—27

Abraham	Feingold	Mack
Burns	Ford	Roberts
Coats	Glenn	Sessions
Cochran	Hutchinson	Smith (NH)
Collins	Inhofe	Snowe
Coverdell	Inouye	Specter
DeWine	Kyl	Stevens
Dodd	Lott	Thompson
Durbin	Lugar	Thurmond

NOT VOTING—1

Mikulski

The amendment (No. 422) was agreed to.

Mr. THURMOND. I move to reconsider the vote.

Mr. FORD. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 420, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to Cochran amendment numbered 420, as amended.

The amendment (No. 420), as amended, was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. THURMOND. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I ask unanimous consent that at 1:15 p.m. Senator MURRAY be recognized and that debate on the Murray amendment No. 593 be limited to 45 minutes, to be equally divided in the usual form, and following the conclusion or yielding back of time, the Senate proceed to

vote on or in relation to the Murray amendment.

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

Mr. THURMOND. I further ask unanimous consent that no amendments be in order to the Murray amendment.

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

Mr. ROBERTS. Mr. President, I ask unanimous consent to proceed as in morning business for 10 minutes.

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

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

(The remarks of Mr. ROBERTS pertaining to the introduction of S. 1000 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AMENDMENT NO. 668

Mr. WELLSTONE. Mr. President, I call up amendment 668.

The PRESIDING OFFICER. The Senator has that right. The amendment numbered 668 is now the pending question.

Mr. WELLSTONE. Mr. President, I offer this amendment on behalf of myself and Senator HARKIN.

Mr. President, let me begin by asking unanimous consent that letters from the Disabled American Veterans, the Paralyzed Veterans of America, and the Vietnam Veterans of America be printed in the RECORD in support of this amendment.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,  
Washington, DC, July 9, 1997.

Hon. PAUL DAVID WELLSTONE,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of the more than one million members of the Disabled American Veterans (DAV), I express our strong support for your efforts to provide funding to enable Brookhaven National Laboratory to conduct internal dose reconstruction of veterans exposed to ionizing radiation (atomic veterans) and to transfer some \$400 million to the Department of Veterans Affairs (VA) budget for health care.

The DAV believes that \$16.959 billion is inadequate—by at least \$600 million—to enable VA to provide quality and timely health care to veterans. Your amendment would greatly enhance VA's ability to provide adequate health care to our Nation's sick and disable veterans.

Additionally, according to the VA, very few atomic veterans or their survivors have been successful in establishing that the veteran's disability, recognized as a "radiogenic disease," is the result of the veteran's exposure to ionizing radiation in service. The main reason for the high failure rate is due to the current, inadequate and inaccurate method of reconstructing dose estimates which routinely indicate minimal radiation exposure.

Senator Wellstone, your amendment would ensure that America's atomic veterans will have available to them Fission Tracking Analysis, a more accurate method of dose reconstruction. Surely, fairness and equity in the adjudication of atomic veterans' claims is the very least that our Nation owes to these brave veterans who were used to ad-

vance our country's knowledge of the effects of ionizing radiation, unbeknownst to them.

Again, you have the full support of the more than one million members of the DAV in your efforts to ensure that the VA has adequate funding to care for America's sick and disabled veterans and to ensure that atomic veterans are provided with accurate internal dose reconstruction to support their claims.

Sincerely,

DAVID W. GORMAN,  
Executive Director.

PARALYZED VETERANS OF AMERICA,  
Washington, DC, July 9, 1997.

Hon. PAUL DAVID WELLSTONE,  
U.S. Senate, Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of the members of Paralyzed Veterans of America, please accept our full support for your efforts to increase needed funding for health care benefits and services provided by the Department of Veterans Affairs (VA).

As you well know, the proposed FY 1998 VA budget calls for unprecedented reductions in current and proposed appropriations for the health care system. The actual appropriation request freezes VA discretionary funding at a level far below current levels. The only relief given to VA over that period of time comes from a very uncertain plan allowing VA to keep fees and reimbursements from private insurance companies to help cover increasing health care costs. Even with this budget gimmick, VA hospitals will remain seriously under funded next year and in future years under the proposal.

Again, we appreciate your efforts to correct this serious funding shortfall, and urge all members of the Senate to support your amendment.

Sincerely yours,

GORDON H. MANSFIELD,  
Executive Director.

VIETNAM VETERANS OF AMERICA, INC.,  
Washington, DC, July 9, 1997.

Hon. PAUL WELLSTONE,  
U.S. Senate, Washington, DC.

DEAR SENATOR WELLSTONE: On behalf of Vietnam Veterans of America (VVA), I want to thank you for your efforts to secure additional funding for veterans medical care. VVA is pleased to support your amendment to the DOD Authorization bill which would transfer \$400 million to VA medical care.

As you know, the veterans community remains very concerned about the impacts of discretionary spending cuts on VA medical care and benefits processing. Both programs are in a state of major transition, implementing significant reforms and procedural improvements which will—in time—create enhanced efficiencies. The Senate and House budget reconciliation bills, as well as the appropriation bill moving through the House right now and soon to be considered in the Senate, are placing veterans health care in jeopardy by depending upon VA's ability to collect insurance monies for over \$600 million over VA's FY 1998 health care budget. This is a very tenuous plan, as the program is untested and the targeted amount seems overly optimistic.

As it currently stands, VA's FY 1998 budget offers the veterans community no guarantee that the national commitment to provide care to our disabled and low-income veterans will be honored. Again, VVA appreciates your strong advocacy for veterans programs and urges the Senate to adopt your amendment. Veterans benefits, after all, are an ongoing cost of our national defense.

Sincerely,

GEORGE C. DUGGINS,  
National President.

Mr. WELLSTONE. Mr. President, these letters are extremely important.

They are from three very fine veterans organizations: The DAV, the PVA, and the Vietnam Veterans of America. The reason they are concerned, and, for that matter, all of the veterans community is concerned, is that in the budget resolution what we ended up putting into effect was a cut in veterans health care benefits.

Mr. President, the portion of those cuts that directly affect veterans health care is \$400 million. What this amendment does is simply authorize the Secretary of Defense the ability to be able to transfer this \$400 million into the veterans health care.

Mr. President, let me just say to colleagues that this is a huge issue. I am positive that if my colleagues, Democrats and Republicans alike, get a chance to talk with the veterans organizations and veterans communities in their States, they will find out that people are really indignant about this because it was never clear—I don't think it was clear to any of us—that, in fact, we were voting for actual cuts, actual cuts in veterans health care.

What this amendment does, it says, look, we have \$2.6 billion in the Pentagon budget more than the Pentagon asked for; we can at least take a portion of this. And please remember, all this amendment does is give the Secretary of Defense the discretion or the authority to be able to transfer it. It is not a mandate. It seems very appropriate.

Mr. President, it seems like this amendment that Senator HARKIN and I have introduced is eminently reasonable because if you think about it, one of the huge concerns in the Veterans' Committee is very much linked to national defense. We are talking about men and women who have served our country. As we look at veterans health care and we project to the future, we want to make sure we do not end up sacrificing the quality of care for veterans.

I know what I hear back in the State of Minnesota, first and foremost, we have now an increasing number of gulf war veterans who are in need of help. This is yet an additional challenge for the VA. This is an additional challenge for our country to get the care to these people.

Mr. President, this amendment, again, just authorizes the Secretary of Defense to make this transfer of funding. These veterans were all about serving our country in defense of our country. If there ever was an opportunity to restore this funding for veterans health care, it is now. This Congress, whether it is this afternoon, or whether it is next week, or whether it is next month, is going to have to restore this funding. I don't think there was one Senator that was clear, when we passed this budget resolution, that we were actually directing \$400 million of cuts in veterans health care.

I will just tell you that more and more and more of the gulf war veterans are going to be stepping forward in

your States, in our States, and they are going to be saying: We don't know what happened to us, but we do know that before we went and served, we could run 2 miles and we felt good, and now we can't walk a half mile, and we don't know what happened to us.

Over and over again, we are seeing report after report that makes it crystal clear that the gulf war veterans have every reason in the world to be indignant about not getting information that they need to get from our Government and, more important, about their need to receive some care. So what in the world are we doing cutting \$400 million in the veterans health care budget?

In addition, Mr. President, let me simply point out that above and beyond the gulf war veterans, we have a situation where our veterans population is aging. More and more of our veterans are living to be 65 years of age and over. More and more of our veterans are living to be 85 years of age and over. And this is an additional strain.

So, Mr. President, I want to point out that, at the very time that veterans are showing up at VA hospitals in greater numbers, with increasing health care costs generally and prospects for greater medical costs specifically, at the very time that we have that going on, we have a cut in this budget resolution.

So, what we are saying in this amendment—and I will defer to my colleague from Iowa in a moment—we are saying, look, we have an excess \$2.6 billion. It is more than the Pentagon asked for. We have a cut in veterans health care in the budget resolution to the tune of \$400 million. It is clear it is going to have very negative consequences for veterans. The veterans community in our Nation—I have just three letters, from the PVA, DAV, and Vietnam veterans, and they are saying: You can't do that. What about those of us who are struggling with posttraumatic stress syndrome? What about the Persian Gulf veterans? More and more are asking: What happened to us? More and more of those veterans are asking for adequate care. What about the ever-increasing aging population among veterans at the very time there is going to be more of a strain? At the very time that we have more of a challenge, you have cut \$400 million.

This is an opportunity to come through for the veterans community. I hope it will happen today. I hope we get a very strong vote today. I say this to all my colleagues. One way or another, we are going to have to restore this funding. This amendment, if you just think about the wording, just provides the Secretary of Defense with the authorization to transfer some of this funding to VA health care—\$400 million—and it makes eminently good sense because, after all, these veterans who come and seek health care within our VA health care system were the very men and women who served our country in defense of our country.

Mr. President, how much time do we have left?

The PRESIDING OFFICER. There is no time agreement.

Mr. GREGG addressed the Chair.

Mr. WELLSTONE. Mr. President—

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. WELLSTONE. Are we now debating this amendment?

Mr. GREGG. Mr. President, if the Senator from Minnesota will yield for a question, I simply have about 3 minutes I would like to talk, and it has nothing to do with this amendment.

Mr. WELLSTONE. Mr. President, I would rather not yield the floor at the moment. But if my colleague wants to speak—do we have other Senators on the floor who want to speak on this amendment? My colleague from Iowa wants to speak on the amendment. If Senators want to cover other topics for a short period of time, I would be more than willing to defer to them. We want to try to make our case here before the vote. Can I ask my colleagues whether they are interested in debating this amendment?

Mr. GRAMM. Mr. President, I want to speak about 10 minutes on the Levin amendment. I would certainly be willing to allow the Senator to maintain his right to the floor, but this is unusual procedure. The Senator doesn't have a right to control the floor. He has a right to speak, but he doesn't have a right to control the flow of debate for others. I am willing to accommodate him, but this is an unusual procedure. Being the accommodating person that I am, I am willing to do it. At some point, we might have to ask if the Senator is through speaking and let somebody else speak.

Mr. WELLSTONE. Mr. President, my amendment is pending now, I say to my colleague from Texas. The Levin amendment is not pending. I have not yielded the floor yet, but I would be more than willing—

The PRESIDING OFFICER. The Chair advises the Senator from Minnesota that he can yield to his friend from Iowa for a question.

Mr. HARKIN. Mr. President, I suggest that we follow the normal rules. If the Senator wants to speak, we can go back and forth. That would be fine with this Senator.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the Senator from New Hampshire be allowed to speak and the Senator from Texas for 10 minutes and then that be followed by the Senator from Iowa.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New Hampshire is recognized.

WARWICK MILLS OF NEW HAMPSHIRE WEAVED THE AIR BAG TO PROTECT THE PATHFINDER ON MARS

Mr. GREGG. Mr. President, I rise on a matter that is not related specifi-

cally to this bill, although it has to do with the issue of national defense and technology, and that is the issue of our probe which is now on the planet Mars. What an exceptional thing it is, as we watch the TV pictures come back as they analyze the rocks of Mars and determine that this planet is a fascinating place. We set history and we can investigate the universe.

All of this is possible because of a product made in New Hampshire. I wanted to congratulate the Warwick Mills of New Ipswich, NH, a small company started in 1888. NASA decided they wanted to land this probe on Mars, and they had to go to the Warwick Mills to be able to do it. It is one of the few places in this world that still weaves in the old-fashioned way. They were able to put together this fabric. This is a picture of the probe on Mars and the fabric that allowed the probe to set down on Mars without being damaged, and it allows it now to wander around the planet Mars and learn about the history of that extraordinary planet and to further the knowledge of man dramatically.

So from a little mill in New Ipswich, NH, started in 1888, using old-fashioned weaving machines, we sent the material to Mars. So on behalf of the State of New Hampshire, I congratulate this little firm that is doing such an extraordinary job to advance the knowledge of America and the world.

I yield back my time.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, in response to what our colleague from New Hampshire has stated, it is a testament of the genius of small business that this wasn't a big scientific lab somewhere, this wasn't NASA with all of its billions; this was a small, independent business. I think we can all rejoice in that.

Mr. GREGG. I think the Senator from Texas has probably been to Ipswich and may have visited this small plant. We appreciate his interest. I thank the Senator.

#### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 778

Mr. GRAMM. Mr. President, we have a pending amendment, the Levin amendment, which I am strongly opposed to. Let me just basically state what I would like to do. I would like to set the issue in perspective. I am now working with the Federal Prison Industries to see if there might be a second-degree amendment they could support. I intend to try to work with Senator LEVIN and his staff to see if something can be worked out. But I am strongly opposed to this.

Let me begin with Alexis de Tocqueville and work up to the Levin amendment. When Alexis de Tocqueville came to America, he came