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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, February 4, 1997, at 12:30 p.m.

Senate

THURSDAY, JANUARY 30, 1997

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:

Holy God, show us Your high intent and keep us from ever being easily content. This is Your Nation; we are here to serve You. Just as Daniel Webster said that the greatest conviction of his life was that he was accountable to You, we press on with intentionality in the duties and deliberations of this day. We want to know what You desire in everything we do and say. Make us aware that You are the unseen guest at every meeting, the silent observer of all our actions, and the careful listener at every conversation. Heighten our awareness not only of Your presence but also of Your power. Give us courage to attempt what only You could help us achieve. Renew our enthusiasm, reinvigorate our vision, revitalize our patriotism, replenish our strength. 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 MCCAIN, is recognized.

SCHEDULE

Mr. MCCAIN. Mr. President, on behalf of the majority leader, I would like to announce today's schedule. In a moment, the Senate will proceed to executive session to begin 30 minutes of

debate on the nomination of William Daley, to be Secretary of Commerce.

At the expiration of that debate time, the Senate will vote on the confirmation of that nomination. Therefore, all Senators should expect a rollcall vote this morning at approximately 10 a.m. Senator LOTT has announced that this vote will be the last rollcall vote of the week. However, the Senate may be asked to consider additional executive or legislative matters that can be cleared.

RESERVATION OF LEADER TIME

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

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to consider the nomination of William M. Daley, to be Secretary of Commerce.

NOMINATION OF WILLIAM M. DALEY, OF ILLINOIS, TO BE SECRETARY OF COMMERCE

The assistant legislative clerk read the nomination of William M. Daley, of Illinois, to be Secretary of Commerce.

The PRESIDING OFFICER. There will be 30 minutes for debate on this nomination to be equally divided between the chairman and ranking minority member of the Committee on Commerce, Science, and Transportation.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, soon the Senate will vote on the nomination of William Daley to be Secretary of the Department of Commerce. Yesterday, the Commerce Committee reported favorably Mr. Daley's nomination by a vote of 19 to 1. I hope the full Senate will also vote overwhelmingly for Mr. Daley.

The confirmation of nominees by the Senate is a duty prescribed by the Constitution. The advise-and-consent obligation given to the Senate in the Constitution is an extremely important task. It should not and must not be taken lightly. At the same time, I believe that it is the President's prerogative to appoint whomever he chooses to administration positions and that such nominees should only be opposed and defeated if there is clear and compelling evidence that such nominee is unfit or unable to serve the Nation. Such decision should be made only after exhaustive questioning of the nominee and much soul searching.

Mr. William Daley has been asked by the President to serve this Nation as Secretary of the Department of Commerce. Three major lines of questioning were asked by the committee:

What are Mr. Daley's qualifications to serve as Secretary? What are Mr. Daley's plans for the Department? And what are Mr. Daley's policies that would implement those plans?

Numerous questions regarding the Commerce Department have been asked of the nominee. He has either fully answered the questions or has

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



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committed to providing the committee an answer in a timely fashion.

Mr. President, I am particularly pleased to announce that the Department will cut 100 political appointees from its ranks. The Department has a staggering 256 political appointment positions available. Mr. Daley pledged to reduce that number by 100. He should be strongly commended for this action.

Additionally, at his confirmation hearing, Mr. Daley announced that all foreign trade missions would be halted until the Department, in consultation with the Congress, develops a set of criteria designed to ensure such missions are not politicized. We have all read the press reports alleging that political quid pro quos were a part of such trade missions. Promoting U.S. products abroad and opening foreign markets to U.S. business, not electoral politics, should be the only purpose of such missions.

Again, I am very pleased that Mr. Daley has agreed to work with the committee to ensure that the occurrences of the past do not happen again. I am very pleased that Mr. Daley has agreed to refrain from preferential politics. Discretionary money appropriated to the Department of Commerce should be allocated based on a set of standards and fair criteria that do not give special treatment to any specific locality or region.

Mr. Daley's commitment in this area is commendable. Mr. Daley has also pledged to act expeditiously on any requests for information for files if asked for by any congressional committee.

Mr. President, I think it is appropriate for me to say that we all know that there are serious allegations concerning individuals who were part of the Department of Commerce. Mr. Daley is aware of those allegations. He is fully aware and appreciative of the obligation that he has to refurbish the image of that Department because of the activities of some. I am very confident that he is committed to doing so and will be able to do so. He is an experienced, talented individual who I believe is very capable of carrying out that daunting task.

Last, Mr. Daley promised to recuse himself from any issue that would present a conflict of interest and to work to restore the integrity of the Commerce Department. Such a task will certainly not be easy, but I believe it can and must be done.

For the record, Mr. President, some press reports have raised questions regarding Mr. Daley's past business and political activities. Such reports infer that Mr. Daley or his family may have benefited either personally or politically in certain circumstances. Those press reports have been made part of the permanent committee record. All such allegations were raised with the nominee and found to either lack credibility, be proven false, or were fully explained to the satisfaction of the committee.

Let me reiterate that point. Based on the evidence presented by all concerned to the committee, the nominee has engaged in no activity that would cause this Member to vote against him. In fact, the nominee has taken great steps to rebut all allegations and explain the facts surrounding them. After such explanations were forthcoming by the nominee, the committee moved expeditiously to approve this nomination.

In closing, the Commerce Committee has looked into Mr. Daley's qualifications and his fitness to serve, and we believe he is a fine individual who will make an outstanding Commerce Secretary. Mr. Daley has a tough road ahead of him. But I am confident he is up to the task. He has already begun to demonstrate the leadership necessary to move the Department into the next century.

I look forward—and I know I speak for all Members on my side of the aisle—to working with the new Secretary and wish him and his family the very best during their time here in Washington. Mr. President, I strongly urge the Senate to confirm this nomination.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I am delighted to serve with my distinguished white-haired chairman. My wife says when I appear on TV I look like a Q-Tip.

Mr. President, next week the President of the United States will be delivering his State of the Union Message. The Union is in somewhat disrepair, intense disrepair, I might say, because for 50 years after World War II, with the Marshall plan, we sacrificed our economy. And it has worked. Capitalism has overcome communism. They are going the way of freedom and individual rights the world around now. But it has been at quite a cost to our economic strength.

We have lost over 2 million jobs just in the past 10 years. Our manufacturing sector has gone from 26 percent of our work force down to 13 percent. Now is the time to rebuild. In order to do that, we need a very strong Secretary. I am pleased that President Clinton has chosen an unusually strong Secretary in the person of Bill Daley of Chicago.

The fact of the matter is, for many years now he has been a business leader, a business attorney, a banker, an outstanding civic leader, in many respects, and more particularly we know him here in Washington as a special counsel to President Clinton on extending the North American Free-Trade Agreement from Canada down to Mexico. Necessarily, there was quite a difference on this side of the aisle with respect to that agreement, but be that as it may, Bill Daley handled that with thoroughness and with tact and with persistence. And it passed with strong bipartisan support.

He knows his subject of trade. He understands the business needs. He is a very strong individual. He came to the assignment immediately going over to brief himself on the Department and, as the distinguished chairman has already pointed out, has announced, in unique form for a nominee, that he was going to downsize some of the duplications there in the Department itself and make sure that the trips were made for industry and not for politics.

More than anything else, he is really intent on reestablishing the morale of the Department with the loss of Ron Brown who did an outstanding job as the Secretary of Commerce. And I say that advisedly because I have been at least through a dozen or so in the last 30 years and worked with them in that 30-year period, not only with respect to the authorization of the Department, but the appropriations there.

Ron Brown did an outstanding job. Yes, there were some solicitations. Thank heavens it was not solicitations by Ron Brown like most Secretaries of Commerce. We had one Republican Secretary of Commerce go to jail for his solicitations. If we have to get into solicitations, I am going to be glad to make the record.

But the spirit here is one of bipartisanship in the support for Bill Daley. I was particularly impressed that not only the distinguished Democratic Senators, Senator MOSELEY-BRAUN of Illinois, and our distinguished colleague, Senator DURBIN of Illinois, were there to present him in enthusiastic fashion, but he was presented to the committee by none other than the chairman of the House Judiciary Committee, the most respected HENRY HYDE of Illinois, and the campaign manager for Robert Dole's Presidency, the former Secretary of Defense, Donald Rumsfeld.

So we have the respect and confidence of the leadership in Chicago and Illinois that really knows him best. And it is with that record here that he comes. I am particularly enthusiastic that President Clinton has made this appointment. I want to yield now to our distinguished colleague from Illinois.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I thank the Senator from South Carolina for yielding.

It is ironic that this is my first speech on the floor of the U.S. Senate and that I am speaking on behalf of a gentleman whom I have known for 25 years and one I am proud to support. I speak on my behalf and on the behalf of the senior Senator from Illinois, Senator CAROL MOSELEY-BRAUN, in support of this nomination of Bill Daley to be our new Secretary of Commerce.

Bill Daley, of course, is well known in the city of Chicago and across this Nation. The Daley name carries with it certain connotations of political leadership, mainly positive, maybe some negative on a national basis. But those of us who know what the Daley legacy

has been in the State of Illinois feel that it is overwhelmingly positive because of the contribution that has been made to our State, to the city of Chicago, and to this Nation by the Daley family over the last few decades. It has been significant, significant in this respect: The Daley family has been willing to step forward into public service to face the slings and arrows that public figures face, and to lead.

And they have led, led our great city of Chicago forward, not only under Mayor Richard J. Daley but now Richard M. Daley, and through the other members of the Daley family.

William Daley—Bill Daley as we know him—has often been behind the scenes, not on the center of the stage. Of course, when his father was mayor, he was a young man. Now that his brother is mayor, and he is in a capacity to play a larger role, many times he has stepped to the side. He led in his own fashion, in his own way, and developed a reputation in Chicago, and I think across this country, for leadership, not only the obvious, leading in the city, in community endeavors, charitable undertakings, making certain there was some vision from the business community about the future of Chicago, but on the national scene as well.

It is interesting that when President Clinton faced one of his toughest challenges in his first term, in passing NAFTA, a controversial issue even within the Democratic party, that he would turn to Bill Daley of Chicago and say, "Come to Washington. Use your skills and leadership to help me pass this important trade agreement."

When the dust had settled and NAFTA had passed, even the critics of NAFTA gave credit to Bill Daley and said, "Here is a man who could be trusted." His door was open. His word was good. As I said at the Commerce Committee, he showed the skills of a playmaker like Michael Jordan, whose name may be known to even the Senator from South Carolina. We are proud of the fact that Bill Daley has served this country well. We think this designation of Bill Daley as the Secretary of Commerce creates another opportunity for him to serve his Nation well.

It is no surprise that the Department of Commerce has been under the spotlight in the last several months, and some questions have been raised, and I think deservedly so.

I want to salute my colleague from Arizona, Senator McCain, for noting that there is need for reform in the Department of Commerce. I say to Senator McCain, we could not choose a better person than Bill Daley to bring about real reform, because he is a professional.

I have to also note the Senator's comments about investigations into questions about his background have shown that they were fine, that he comes to this job with the level of honesty and integrity that we expect of

Cabinet people and people in public service. He will be tested to put together a team to bring about real reform in the Department of Commerce. Bill Daley is going to meet that challenge. I think he is going to rise to that occasion.

I might speak to one other point before yielding back. During the course of this hearing and investigation, questions have arisen about the future of the Department of Commerce. Some have even questioned whether it should exist. I, for one, believe it plays a critically important role. Now that the cold war is behind us, we are engaged in a new war of equal proportion—a war over jobs, a war over opportunities, a war to find, I guess, for the next generation of Americans, the same opportunities other generations have enjoyed.

We cannot step back and hope that our reputation as a Yankee trader will be all that is needed for us to win in that war. We need to be on the front, in that battle, making certain that American workers and businesses are treated fairly when it comes to world commerce. That is the job of the Department of Commerce, one of the more important responsibilities that it faces. I hope the Department of Commerce is valued for that responsibility. It certainly is, in my estimation. I know Bill Daley feels the same.

His background in business, in banking, in the practice of law, and in public policy, make him uniquely qualified to come to this job in the Department of Commerce and to serve his Nation well. I am happy to stand today in support of this nomination. I hope that this body will join me in giving a solid vote of support to the designation of Bill Daley as our new Secretary of Commerce.

I thank the Senator from South Carolina for yielding me the time.

Mr. HOLLINGS. Mr. President, Michael Jordan makes his money in Chicago, but he spends it in South Carolina. We welcome him down there regularly. I think he is a property owner by now in Hilton Head. I will check it out, because that would be one of the few votes I could get on Hilton Head.

Mr. President, the appointment of William Daley to head the Department of Commerce comes at a critical juncture in our history. We have emerged triumphant from our long struggle against the forces of tyranny and totalitarianism. Our victory in the cold war was secured through the commitment and sacrifice of the American people, who willingly subordinated their economic interests to sustain the alliance against Soviet expansionism. It was access to the rich American market that enabled our allies to rise from the ashes and rebuild their economies. For four decades the American market absorbed the world's exports while our exporters confronted closed markets abroad. Our generosity has taken a tremendous toll on the American economy. For the past 20 years wages for

the American worker have remained stagnant. The average American now earns 20 percent less today than he or she earned 20 years ago. The toll has been most devastating in the manufacturing sector. Manufacturing now accounts for a mere thirteen percent of our GNP, half that of Germany or Japan. The most terrible price that we paid was the loss of 2 million manufacturing jobs, which were the backbone of the American economy.

Having triumphed abroad it is now time to rebuild at home. Restoring the promise of America and rebuilding our economy will require the same commitment and sacrifice that won the cold war. The Commerce Department should be at the forefront of this effort. There are some, who in the name of budget discipline, call for the Department's elimination. In an era in which economic and national security are synonymous, eliminating the Commerce Department would be tantamount to unilateral disarmament. The budget will not be balanced by political gimmicks and symbolic gestures. Abolishing the Commerce Department will not make a dent in balancing the budget; what it will do is put us at a competitive disadvantage in the global economy.

In today's new world economy American firms and American workers compete against foreign companies whose governments are allies of business, not adversaries. Where once we stood at the apex of the world economy, now no industry in America is immune from this intense foreign competition.

In market after market, industry after industry, U.S. companies compete against foreign companies that are the beneficiaries of strategic alliances with powerful ministries of trade and industry. Those who believe that government has no role in supporting industry and American workers seek to rewrite history and ignore the realities of the new international competition. In the new global economy, the line between public sector and private sector is at times indistinct.

Our competitors nurture industrial development through rigged capital markets, generous subsidies, infant industry protection, and favorable export incentives. The invisible hand of the free market did not develop Korea's world class semiconductor industry. Instead it was the iron fist of decrees laid down by Korea's Ministry of Trade, which kept out foreign competition unless they licensed technology to Korean companies. The iron fist was complemented by the largesse of Korea's Finance Ministry which provided low interest loans to foster the development of its industries.

The invisible hand of the market did not create Airbus, nor does it guide the development of the faster growing economies in the Pacific rim, which are following the Japanese model of development. The irony is that the market alone was not responsible for the development of our own industrial

base. From Alexander Hamilton's "Report on Manufactures," to the revolution in information technology initiated through research conducted by the Department of Defense, our economic strength has been fortified by a symbiotic relationship between government and the private sector.

The strong Commerce Department is an essential prerequisite for competing in the global economy. The Commerce Department, through its technology administration, plays a crucial role in developing the critical technologies of the future. Although the National Institute for Standards and Technology [NIST] accounts for only 1 percent of the U.S. research and development budget—it is the principal program dedicated to fostering critical technologies that have a commercial application. U.S. companies face great pressure to deliver short run returns for the fund managers who dominate America's capital markets. As the Wall Street Journal noted, "the biggest U.S. companies have cut back sharply on research into 'basic science' to pursue short term goals * * *." This alarming trend did not go unnoticed by the Council on Competitiveness, which noted, "Long-term investments rates as a percentage of GDP are falling just when Asian and European competitors are ramping up their R&D programs." This is why it is crucial that we maintain our Advanced Technology Program. It enables industry and government to join forces in carrying out broad-based, long-term, peer-reviewed projects that could have large payoffs down the road. Eliminating the Government's role in technological development will consign our economy to second-rate status. Furthermore, it would allow Asians and Europeans to dominate the emerging technologies which will create the jobs of the future.

Not only does the Commerce Department play a critical role in fostering technology, it plays an equally important role in protecting U.S. industries from the predatory trade practices that have crippled many of our domestic industries. Vigorous enforcement of our antidumping laws is crucial to maintaining our standard of living. Far too often our competitors have hidden behind a citadel of protection in their home markets while simultaneously flooding our economy with illegally dumped products. A Commerce Department that aggressively enforces our trade laws will enable U.S. companies to sustain their investment in strategic technologies and keep jobs at home.

Strengthening the Commerce Department will require a strong Secretary. Bill Daley fits that description. He has been both a civic leader and a business leader. Those of us who opposed NAFTA know him as a worthy adversary, a man who gets things done. More important, Bill Daley is a man who understands what a privilege and an honor it is to be a public servant. While it may be fashionable in some quarters

to denigrate public servants, this nominee knows how effective government can change people's lives for the better.

I urge my colleagues to vote to confirm this excellent appointment.

Mr. President, let me emphasize once again the point made by both our distinguished chairman and distinguished colleague, Senator DURBIN. The Commerce Department has got to be in this front line now of rebuilding our economic strength—a very, very important division within the Department, foreign commercial services, the International Trade Administration. The consensus, I should emphasize to my friends, that while we are spending some \$600 million, in a couple of years that budget that is getting ready for the next millennium that everyone is talking about, that budget will jump to \$1.5 billion. I can see some saying, "Heavens above, this is a runaway Department." But these endeavors cost, and we want to make sure that they do a credible job, as they have been doing, in my opinion.

We have the very strong divisions in there with respect to the Economic Development Administration that has worked extremely well over the years now, and the Department has a group of the best professionals with respect to this global competition. When the special trade representative, when the State Department and others come and try to learn the facts, it is our Department of Commerce that furnishes the weaponry, so to speak, the statistics, the findings, and everything else as to exactly where we are and how well we are doing to give them credibility in their negotiations.

So, to have the brilliance of Bill Daley of Chicago come to head up the Department, the conscientious nature that he has already displayed with respect to taking over these duties is heartening to this particular Senator, and I am delighted to be with our distinguished chairman in endorsing his nomination.

Ms. MOSELEY-BRAUN. Mr. President, I am very pleased to be able to speak on behalf of the nomination of William M. Daley to be the Secretary of Commerce. At the outset, I want to congratulate the President for selecting Bill Daley. I do not believe he could have made a better choice to lead the Department of Commerce into the new century.

The Department of Commerce has a long and distinguished history, but it is a department that sometimes seems to lack focus. Its mission includes things as diverse forecasting the weather, handling patents and trademarks, conducting the census, travel and tourism, and international trade. What brings all of these diverse subjects together however, is one overriding mission: assisting Americans in enhancing the competitiveness of the United States in the world economy. The Department of Commerce does not control the competitiveness of our economy, but its work opens up com-

petitive opportunities for the private sector, and helps the private sector obtain the information it needs to realize its competitive potential.

The Department's mission goes beyond the dry names of its subagencies. It is part of the foundation of our economy. It helps open doors abroad for U.S. exporters. It helps us know where we stand, and where we might be going. It gives us the kind of data that helps both American business and American workers achieve a brighter, more prosperous future. It is an advocate for economic growth, and helps build the kind of broader, stronger trade links on which our future economic success in no small part depends.

Bill Daley has the background, the talent, the integrity, the energy, and the determination to ensure that the Commerce Department reaches its full potential as an asset for U.S. economic growth. He is the ideal person to build on the great work done by Mickey Kantor and the late Ron Brown.

His past accomplishments demonstrate what he will be able to achieve as Secretary. He is a real leader, both in Illinois and nationally. He has a strong record in the private sector, and an equally strong record in public and civic affairs. His résumé is a distinguished one. It includes serving as:

President and chief operating officer of the Amalgamated Bank of Chicago;

Special counsel to the President for the North American Free-Trade Agreement in the fall of 1993, helping President Clinton achieve passage of that major trade agreement;

A senior partner at one of Chicago's most prestigious law firms, Mayer, Brown & Platt; and

Cochair of Chicago 96, the non-partisan, not for profit host committee that so successfully oversaw the city and community planning for the 1996 Democratic Convention in Chicago.

Bill Daley was born and raised in Illinois, and he was also educated in Illinois. His undergraduate degree is from Loyola University in Chicago, and he holds a L.L.B. from the John Marshall Law School in Chicago.

If I may be permitted a moment of regional chauvinism, I will say that Bill Daley has all the Midwestern virtues. He has an uncommon amount of common sense, he is an extremely hard worker, he is unpretentious, his life exemplifies the kind of family values we talk about so much here in Washington; and he is always focused on getting the job done. He is a skilled lawyer, an extraordinary negotiator, and an executive of rare ability. He has the kind of good judgment that makes him a person who is always being called on for help, and he has never failed to provide that help. And while most of his career has been in the private sector, he has unstintingly given of his time to public and charitable causes. Like his brothers, and his father before him, he has a real commitment to public and community service. Like all of the

other members of his family, he is deeply patriotic, and dedicated to doing everything he can to help all of our people and every part of our country build an ever-brighter, ever-more prosperous future.

Bill Daley has the talent to manage a large, diverse organization like the Department of Commerce, and he is the kind of person that will make the Department run more efficiently and effectively. He understands business, and he knows how important it is for the United States to compete successfully in the world economy.

This is a time of enormous change, not just in our economy, but also in the Commerce Department. I cannot think of a person better suited to making the necessary reforms so that the Commerce Department can successfully meet the challenges of the new century that will soon be upon us. I know he will make a first-rate Secretary of Commerce, and I strongly recommend that the Senate act expeditiously and favorably on his nomination.

Mr. DOMENICI. Mr. President, I rise to express my support for the confirmation of Mr. William Daley as the next Secretary of Commerce.

I am glad to learn that Mr. Daley recognizes the need to streamline the Commerce Department and that he is willing to perform a top to bottom review of its agencies and programs to ensure productivity and efficiency. In addition, I am hopeful that Mr. Daley will address the numerous concerns which have hampered this Department's effectiveness in the recent past and that he will strive to restore the Department's good reputation.

As we enter into the 21st century, America must make new strides to ensure its strong standing in the ever growing global economy. We must continue to further our ties with foreign nations and businesses so that our economy will continue to be the engine that drives the world's prosperity.

Although our economy continues to grow yearly, I believe we should be concerned with how slow that rate of growth has been. Small businesses are the backbone of our national economy and I am hopeful that Mr. Daley will focus more attention on promoting the role of small business in foreign trade. With only 12 percent of our small businesses participating in foreign markets, I believe we have to focus more attention and resources to promoting their interests worldwide.

As it did with NAFTA and GATT, we need the Commerce Department to continue to open new markets. Additionally, the Department of Commerce must ensure that our trade partners comply with the promises set forth in all such agreements. As competition around the world becomes stronger by the day, the Department of Commerce, under its new Secretary, must strive to guarantee a level playing field to ensure the economic future of the American people.

With nearly one-fourth of our gross domestic product resulting from exports and with more than 11 million workers owing their jobs to their employer's overseas business, Mr. Daley's work as Secretary of Commerce will be felt nationwide.

Mr. President, I yield the floor.

Mr. BROWNBACK. Mr. President, it is with regret that I announce that today I will be voting in opposition to the nomination of William M. Daley to the position of the Secretary of the U.S. Department of Commerce. While Mr. Daley's character and his distinguished career in public service demonstrate that he has the qualifications for the position to which he has been nominated, these qualifications are necessary, but in and of themselves, not sufficient to merit my vote.

My chief concerns regarding Mr. Daley's suitability for the position reflect: First, questions over his willingness and commitment to deal with corporate welfare in the agency; and second, his commitment to engage in the fundamental overhaul of a Department whose management practices and many missions have been called into question by numerous reports by the Department's inspector general and by the General Accounting Office.

Corporate welfare has no place in this Government today. Mr. Daley generally agrees we should not have corporate welfare in the Federal Government. However, he disagrees with the appropriate definition of corporate welfare. I asked repeatedly for a specific commitment from him to study whether corporate welfare was being doled out by the agency. He was unwilling to do so, although he made a similar commitment with respect to the issue of foreign trips conducted by the agency.

My second concern is the redundancies at the Department of Commerce. According to a recent GAO study the Department of Commerce functions are duplicated 71 times throughout the Federal Government. I discussed this problem with Mr. Daley during the hearing. He stated that he would consider the issue, but made no specific commitments as to when he would address the issue nor in what quantity. He would not commit to report to Congress within 6 months or 1 year on these known redundancies nor would he commit to cutting back the number of redundancies by a minimum of even 10 percent. He did make such specific commitments regarding political appointees, which he agreed to reduce by 100.

Because Mr. Daley has refused to make specific commitments to address these problems I do not support his nomination. The next Secretary of Commerce should be someone who recognizes the seriousness of these problems, and who is committed to addressing them.

Mr. DASCHLE. Mr. President, I rise today to congratulate William Daley on his nomination to be Commerce Secretary of the United States. I be-

lieve his lifelong experience in the private sector and strong record of public service will provide him with an extraordinary range of skills that make him unquestionably qualified for this position.

First, he will bring a business perspective to the Department of Commerce. From the insurance industry, to a law practice that specialized in international trade, to serving as president of the Amalgamated Bank, William Daley understands the needs of the private sector.

As a special counsel to President Clinton during the debate over the North American Free-Trade Agreement, he also demonstrated an ability to work with lawmakers on both sides of the aisle and was instrumental in securing its congressional approval.

And finally, William Daley believes in the responsibility of the Department of Commerce to enhance the competitiveness of American companies in the global marketplace. He knows that our economy cannot grow without the strength of new ideas and a lasting commitment to the risk takers who develop them.

As a successful businessman and a dedicated public servant, I am confident that William Daley will build on the legacy of Mickey Kantor and the late Ron Brown, whose tireless efforts created countless new opportunities for American companies around the world.

As Commerce Secretary, William Daley will be an energetic promoter of our business interests, a skilled negotiator in opening new markets, and a visionary who believes in the value of researching and developing new products and ideas.

I look forward to working with him in advancing the interests of the American business community in the years ahead.

Mr. KERRY. Mr. President, I am pleased to support Bill Daley to be the next Secretary of Commerce. In his appearance before the Senate Commerce Committee, Mr. Daley impressed me and other members with his energy, his enthusiasm, and his firm grasp of the challenges faced by American companies attempting to compete in the world marketplace. In my view, Mr. Daley demonstrated that he possesses the qualities, energy, and instincts necessary to be a successful Secretary, and to lead the Commerce Department into the 21st century.

We all regret that, in recent years, the Department of Commerce has become the target of a great deal of criticism. Though some of this criticism may be warranted, in my view most of the criticism is not aimed at creating a better or more efficient Department but instead is an attempt to sacrifice valuable and important Federal activities for short-term ideological and partisan gain. Nevertheless, I applaud Mr. Daley for his forthright acknowledgment of the criticism and his commitment to address several of the concerns raised. His pledge to review the process

by which persons are selected to accompany Department officials on trade missions abroad and his promise to reduce the number of political appointees at the Department are a strong testament of the sincerity of Mr. Daley's commitment.

From conversations with leaders of the Massachusetts business community, and especially with those who run the small businesses that are the engines of economic growth in my State, there is broad support for the functions performed by the Commerce Department, and there is near unanimous agreement that the U.S. Government must aggressively assist U.S. companies attempting to develop and utilize new technologies, and enter new markets overseas. Small and emerging companies in Massachusetts have benefited greatly from several Commerce programs. The Advanced Technology Program and the Manufacturing Extension Service are both excellent examples of government making smart investments in emerging companies. The evidence for both of these programs demonstrates that each dollar invested generates many more in return. The same is true for the programs administered by the Trade Promotion Coordinating Committee and the U.S. Foreign Commercial Service. The one-stop-shop trade center in Boston has helped hundreds of New England companies develop and expand markets overseas. Finally, the Economic Development Administration remains one of the few resources that cities can call on for capital planning or capital project assistance that will boost their economies and create jobs. For this reason, the EDA must be maintained and strengthened.

A vital but not-as-well-known arm of the Commerce Department is the National Oceanic and Atmospheric Administration. I consider NOAA to be one of the Federal Government's premier scientific research and resource management agencies, with responsibility for the stewardship of our marine resources, management of our coastal zone, and operation of the National Weather Service, environmental satellite systems and a fleet of oceanographic research vessels. These oceanic and atmospheric programs are a critical component in the integrated effort to study and maintain the Earth's ecosystem.

Other Commerce agencies, such as the National Institute of Standards, the Census Bureau, and the Patent and Trademark Office perform missions that are necessary to our economic and governmental functioning. In my view, the Commerce Department is in a unique position with responsibility for trade, technology, and environmental matters, and this presents Mr. Daley with a special opportunity: to successfully integrate U.S. policy on economic and environmental issues. After following his impressive career and after carefully listening to his recent testimony before the Senate Commerce

Committee, I have every confidence that Mr. Daley understands and appreciates this unique mission. I support his confirmation, and I urge my colleagues to do the same.

Mrs. BOXER. Mr. President, I am delighted that the Senate will give its approval today to the nomination of William M. Daley to be Secretary of Commerce.

Mr. Daley is with the Chicago, IL, law firm of Mayer, Brown & Platt. He previously served as the president and chief operating officer of Amalgamated Bank of Chicago, and as special counsel to the President for the North American Free-Trade Agreement. I believe Mr. Daley's background and experiences will be of tremendous benefit to America's businesses as they navigate their way through the global economic marketplace in which they now operate.

It is particularly important to my home State of California that the Department of Commerce have a strong and effective leader. Bill Daley will be such a leader.

California is the Nation's leading exporter. Last year, California accounted for 16 percent—\$90 billion—of the Nation's exports, an increase of almost \$14 billion over the 1994 levels. This tremendous amount of exports supported approximately 1 million Californian jobs. From the period 1987 to 1995, California realized the largest dollar growth in merchandise exports—\$59.1 billion—of any State. As a member of the International Finance Subcommittee, I look forward to working with Secretary Daley on the issue of exports and on a host of other issues of importance to the businesses in my home State of California.

In addition to the issues facing California businesses, there are also many significant and important issues, and challenges, facing our Nation as a whole as we move forward into the 21st century and begin to shift from an industrial base to a technological base in an information society. Bill Daley has the know-how, vision, and leadership necessary to effectively guide us across the bridge into the 21st century.

Mr. MCCAIN. Mr. President, it is the wish of the majority leader that we not vote until 10 o'clock. I do not have a lot of additional comments to make about the nominee that I did not already make.

I appreciate the overall broad bipartisan support that has been given this nominee. I think he appreciates it as well. Because of the importance of working on these issues on a non-partisan basis, the issue that Senator DURBIN and Senator HOLLINGS raise about trade are accurate.

I point out to my colleagues, yes, the Department of Commerce and Secretary of Commerce has a very important role to play in the conduct of trade and fostering relations and helping U.S. businesses compete abroad, and I also appreciate the Senator from Illinois' comments about the new kind

of war we are in. But the problem has been, I point out, that there has been a lack of coordination and coherence to the conduct of these policies, where on the one hand we send our human rights secretary from the State Department, who bashes this particular country, in this one case, China, on human rights violations; and then our Secretary of Defense goes over, a very close and warm relationship with their military establishment—who, also, by the way, run many of these companies and corporations in China; and then our Commerce Secretary goes over and has an entirely different environment.

I think the President of the United States understands better, but not completely, the absolute requirement that if we are going to have a coherent foreign policy, which is probably the most important, single, fundamental conduct of foreign and trade policy, then we all have to have a coordinated effort, led by the President of the United States. Yes, human rights plays an important role in our relations with foreign countries; yes, in the furtherance of the United States' national security interests; yes, providing access and an equal playing field for U.S. companies and corporations to compete, especially in emerging nation markets, is important, but there cannot be discordant voices and disjointed messages to these people, otherwise they become confused and sometimes enraged, because you cannot tell the rulers of China, "By the way, I have no relationship whatever."

On one occasion they were told by our State Department that the President of Taiwan would not visit the United States of America. Two weeks later it was announced that the President of Taiwan was being given a visa to visit the United States of America.

Now, I could argue both sides of that position, but I cannot argue for that kind of methodology. You either say and make sure that the President of Taiwan visits the United States or you say that he will not—one of the two. But especially when we are talking about the power shift that is going on right now, a transition, with the leader who has taken longer to die than the Ayatollah Khomeini, and emerging, if not aggressive, certainly assertive behavior in the region, trade has an important role. But it has got to be part of an overall foreign policy. That has been and will be my major criticism of this administration's conduct of foreign policy.

I am pleased to say from my conversations with Secretary Daley that he understands that. He understands how important it is to coordinate his efforts with those of the President, the Secretary of State, the National Security Adviser and others so we can shape a far more effective foreign policy, which at the end of the day will help us immeasurably in our efforts in increasing trade than some of the kinds of *modus operandi* we have seen in the

past. I am convinced our nominee has that understanding and that commitment.

I was interested and appreciated my dear friend's, Senator HOLLINGS, comments about Mr. Daley's efforts on behalf of NAFTA. I do believe that Mr. Daley did a very effective and important job in that effort. I know that both my colleagues here on the floor were aware of his effort at that particular point, showing his ability to work with the Congress of the United States on both sides of the aisle.

I yield the floor.

Mr. HOLLINGS. Mr. President, the problem of China is most frustrating. I guess the question is, how best do we extend freedom and individual rights in a country of that kind? It is very difficult for a nation with a 220-year history to tell a culture and nation of 3,000 to 5,000 years of age what to do and how to do it, particularly a country, Mr. President, of 1.2 billion.

If you have ever dealt with China, you understand immediately that human rights begins, first, with hunger. That is the first human right in the People's Republic. They have to feed 1.2 billion. The second human right is that of housing. The third human right is perhaps education. The fourth human right is ours—one man, one vote. If you start off on the other end of the spectrum, one man, one vote, you have chaos. I say that advisedly.

I wish I had the time as a southern Governor, because I stand with pride—no life was lost, no one was hurt during my 4 years. I integrated, as the distinguished president pro tempore's alma mater, Clemson University, in a peaceful fashion. We have a track record. We know how you have to handle crowds and make sure no one is hurt.

That approach to China with respect to commercialization and capitalization, I think, is going to be better than confrontation. It is good to come and say we will not trade with you unless you do A, B, and C; however, the others are going to trade with them. It is a nonstarter. It just will not work. The Germans, the French, and the Japanese are in there like gangbusters, and we cannot use that particular tool.

The bottom line, you can look at democratic India and its approach and you can look at the People's Republic and you may reason that perhaps the People's Republic approach will extend more housing, more feeding, more education in the next 10 or 20 years than the democratic India. It is going to be interesting to follow.

But mind you me, China is there. They feel very strongly with respect to Taiwan, to Hong Kong and those possessions that have been taken from them, and their stand has been recognized by us in our foreign policy. We have to be more realistic in its treatment. I yield the floor.

The PRESIDING OFFICER. All time of the Senator has expired.

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

The PRESIDING OFFICER. The clerk will call the roll.

Mr. McCAIN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. McCAIN. I ask for the yeas and nays on the nomination of William Daley as Secretary of Commerce.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. SMITH). The question is, Will the Senate advise and consent to the nomination of Andrew M. Cuomo, of New York, to be Secretary of Housing and Urban Development? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. NICKLES. I announce that the Senator from Missouri [Mr. BOND], the Senator from New York [Mr. D'AMATO], and the Senator from Texas [Mrs. HUTCHISON] are necessarily absent.

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

The result was announced—yeas 95, nays 2, as follows:

[Rollcall Vote No. 4 Ex.]

YEAS—95

Abraham	Feinstein	Mack
Akaka	Ford	McCain
Allard	Frist	McConnell
Ashcroft	Glenn	Mikulski
Baucus	Gorton	Moseley-Braun
Bennett	Graham	Moynihan
Biden	Gramm	Murkowski
Bingaman	Grams	Murray
Boxer	Grassley	Nickles
Breaux	Gregg	Reed
Bryan	Hagel	Reid
Bumpers	Harkin	Robb
Burns	Hatch	Roberts
Byrd	Helms	Rockefeller
Campbell	Hollings	Roth
Chafee	Hutchinson	Santorum
Cleland	Inouye	Sarbanes
Coats	Jeffords	Sessions
Cochran	Johnson	Shelby
Collins	Kempthorne	Smith, Bob
Conrad	Kennedy	Smith, Gordon
Coverdell	Kerrey	Snowe
Craig	Kerry	Specter
Daschle	Kohl	Stevens
DeWine	Kyl	Thomas
Dodd	Landrieu	Thompson
Domenici	Lautenberg	Thurmond
Dorgan	Leahy	Torricelli
Durbin	Levin	Warner
Enzi	Lieberman	Wellstone
Faircloth	Lott	Wyden
Feingold	Lugar	

NAYS—2

Brownback

Inhofe

NOT VOTING—3

Bond

D'Amato

Hutchison

The nomination was confirmed.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The majority leader is recognized.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate begin a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, for the information of all Senators, there will be no further rollcall votes this week. The Senate is expected to be in session into the afternoon for Senators to introduce legislation and to make statements. We have had indications that there are some Senators who intend to do that.

The Senate may also be asked to clear a few routine Legislative and Executive Calendar items. We do have a few we think we will be able to get cleared and complete those this afternoon.

Following the conclusion of today's session, it is anticipated that the Senate will be in recess tomorrow and a pro forma session on Monday.

It is my understanding the Judiciary Committee will order reported today from their committee the constitutional amendment with respect to a balanced budget. Allowing for the 3-day requirement for minority members to submit their minority views, it is then expected the Judiciary Committee would be able to report the constitutional amendment to the Senate on Monday. If that is the case, and the report could be available by late afternoon on Monday, it would be my intention to turn to the constitutional amendment with respect to a balanced budget on Wednesday, February 5.

I remind my colleagues, we will have the State of the Union Address by the President on Tuesday night, the 4th, and we expect to receive the President's budget submission on Thursday, February 6. So next week will be eventful.

We will continue to work to clear nominations just from getting reports from various committees. It looks to me like there could be a minimum of two or three more Presidential nominations—I think all of them are Cabinet level—that may be available next week. We will try to work those into the schedule as soon as they are available, presumably Wednesday and Thursday, on those nominations and confirmations.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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