

Why we would want to change our minds on trade in the midst of an economic boom that is virtually unprecedented in the history of the world is a great mystery to me. Why this bill is even on the floor of the Senate is a testament to the level of economic illiteracy in America. Why it would make any sense whatsoever to impose an effective tax on steel and destroy 40 jobs for every one job that you save is a great mystery, and only politics can explain it.

This is a bad bill. It could not come at a worse time. It is totally unjustified. It threatens the economic future of America, and I urge my colleagues to reject it.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

The Senate continued with the consideration of the bill.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, what is the current situation?

The PRESIDING OFFICER. The Senator is to be recognized on his amendment at this point.

Mr. WELLSTONE. Mr. President, in order to save time, let me speak to these amendments and then I will send up a modification.

For just one minute, I do want to respond to my colleague from Texas and say that I think this vote today around noon on cloture on the Rockefeller amendment is a test of economic literacy. But I have a different definition of that than my colleague from Texas. One more time, I want to make about two or three points. The first point is that our administration has no problem when it comes to tariffs, or when it comes to imposing tariffs on European imports in support of Chiquita Bananas in Central America. But now when it comes to the steelworkers, there is opposition.

My second point is that in many ways what happened with the Asian crisis was you had hot capital going in and out of those countries with no kind of regulatory framework that made sense. George Soros, a financier who knows something about this, is saying we have to have a different kind of framework for the global economy. Some of the financial interests that benefited most from financial liberalization and then were hurt the most from the Asian crisis were able to get some public money and public assistance through IMF bailouts. But again, when our steelworkers ask for some support under existing trade statutes, we don't get it.

Finally, let it be clear that this is not all about whether we have free trade. This is about fair trade. That is what I think matters the most. Our workers can compete with workers

anywhere. But when you see the dumping of steel below the cost of production in our markets and saturating our markets and prices going down and people losing their jobs, of course, working people stand up and fight back. That makes all the sense in the world.

Finally, I want to argue a little bit of economics focusing on how we can help countries going through these crises—countries such as Thailand, Indonesia, Russia, and Mexico—how we can help those countries help their working class people consume more. Right now we are emphasizing that those countries should try to export their way out of their crises instead of relying on domestic demand, which does not make a lot of sense. We ought to be focused on how people in these countries can earn a decent living so they can, in fact, buy some of what they produce in their countries—some of their own products.

I say to my colleague from Texas that economic analysis is a little bit different than his but one which I think makes more sense.

Mr. WELLSTONE. Mr. President, I have two amendments that I want to talk about today.

The first amendment deals with one of the most alarming human rights abuses in the world today. It is the growing use of child soldiers.

Today, in 25 countries there are a quarter of a million, or more, children being used in government armies and rebel groups. Some of these children—if you are ready for this—are as young as 8 years old.

Children are recruited in a variety of different ways. Some are conscripted. Some are forcibly recruited or kidnapped and literally dragged from their homes, schools, and villages. In some instances, children are recruited based solely on whether or not they are big enough to hold a gun.

I think I need to repeat that.

In some cases these children are recruited, abducted, or kidnapped on the basis of whether or not they are big enough to hold a gun.

These young combatants are not only subject to grave physical risk but are all too often encouraged, or even forced themselves, to commit barbaric acts. Children are forced to do this. They are considered dispensable. Child soldiers are often sent to the front lines of combat, or sent into mine fields ahead of other troops. Children who protest or who cannot keep up with the march or attempt to escape are killed often by other child captives who are forced to participate in the killings as a means of breaking their wills and their spirits.

Those who survive these experiences are frequently physically and emotionally scarred. In addition to dealing with severe emotional and psychological trauma, malnourishment, disease, and physical injury suffered while in captivity, many children worry about their basic survival—how they will feed, clothe, and shelter themselves.

For example, in northern Uganda, the Lord's Resistance Army, an opposition group, has abducted some 10,000 children. Children as young as 8 years old have been taken from their schools and homes and forced to march to rebel-based camps in southern Sudan. They are made to carry heavy loads, without rest, and with very little food and water.

Accounts of the use of these children as soldiers by the Lord's Resistance Army in Uganda and in the devastating Sierra Leone conflict make clear that child combatants may suffer not only physical injury or disability but also psychological damage or rejection by their home communities.

Last year, I met with Ms. Angelina Atyam, the mother of one such child. Angelina's 14-year-old daughter, Charlotte—Charlotte is the first name of Charlotte Oldham-Moore, who is with me on human rights issues—was abducted from her school dormitory over a year and a half ago by rebels from the Lord's Resistance Army. Angelina described to me that fatal October morning when she arrived at her daughter's school to find all the windows broken, the girls' clothes scattered everywhere, and her daughter missing. The rebels had arrived at St. Mary's girls school the previous night, tied up the girls, beat them if they cried, and then took them away into unspeakable horrors. One hundred and thirty-nine students were abducted at gunpoint.

That is why this amendment is a very important amendment.

Thankfully, many of them have been rescued or escaped or their freedom has been purchased. But many others, such as Charlotte, have not returned. Charlotte turned 15 in the captivity of the Lord's Resistance Army. In Angelina's own words:

Until peace comes, the kidnaping will continue. My daughter Charlotte turned 15 in Sudan. Like other parents in the Concerned Parents Association, my husband and I can only rely on those few children who manage to escape from captivity for news of our daughter. Two weeks ago, I spoke with a girl who had just escaped. She said the rebels are now intentionally impregnating the girls, to make them too ashamed to go back to their parents. She mentioned that one of the pregnant girls is a St. Mary's student named Charlotte.

I pray that one day my daughter will come home, and my family can become whole again. Uganda's future depends on how the government acts to end this tragedy and how quickly society reintegrates the children. No nation can have a valid strategic interest in prolonging the captivity and abuse of children. President Clinton has a unique opportunity to help start this healing process.

Important efforts are being made to address this moral outrage. Graca Machel, the former U.N. expert on the impact of armed conflict on children, has recommended that governments immediately demobilize all child soldiers.

I believe the United States must do more to end this grave human rights

abuse and assist its victims. Rehabilitation and social reintegration programs are essential to help former child soldiers regain a place in civilian society and help prevent their re-recruitment into subsequent conflicts. I believe strongly that the need for demobilization, rehabilitation, and re-integration programs of former child soldiers in conflict areas must be incorporated into U.S. policy.

The United States must take a leadership role in demobilizing and re-integrating these children back into their communities.

That is why this is a resolution that directs the State Department to study the issue of rehabilitation of former child soldiers, the positive role the United States can play in this effort, and to submit a report to the Congress on how we should address it.

Armed conflict has already taken the lives of 2 million children in the last decade. Three times as many have been injured or disabled. With the continued use of child soldiers, those numbers will only rise.

Our country must be a champion for children and their welfare. Consequently, the United States should be making the strongest possible effort to protect children of combat and to assist them in reentering their societies. It is the very least that we can do.

This amendment represents a continuation of some work that the Senator and I have been doing in this area. Today we focus on the need to provide the support services for these children.

Today we focus on the need to get a report from our State Department as to how we can play as positive a role as possible.

In the past, I have talked about these abuses on the floor. I certainly hope that we will continue to be very active and play a positive role in efforts to have some kind of international protocol agreement to protect these children.

I can't think, quite frankly, of a more important issue.

I have talked with some parents. As a parent, I find it unbelievable that this happens to so many children in so many countries. It would seem to me that we really ought to, as a country, as a government, take the lead and play as positive a role as possible.

I thank my colleagues for supporting this modification of this amendment.

When Senator HELMS comes to the floor, we will go ahead and do that.

Mr. President, also in order to move forward, let me go on and speak about another amendment that I was going to introduce to this bill—the State Department authorization bill, which I will now hold off on for a little bit longer period of time as we continue to build support.

This amendment also deals with another horrendous human rights violation in our time—the trafficking in human beings, particularly the trafficking of women and children for the purposes of sexual exploitation and forced labor.

Earlier this year, I introduced a bill called the International Trafficking of Women and Children Victim Protection Act of 1999, which addresses this issue and is cosponsored by Senators FEINSTEIN, BOXER, SNOWE, MURRAY, and TORRICELLI.

If passed, this bill will put the Senate on record—or this amendment, which we will be introducing shortly. We are going to continue to work with people and work with the State Department and with other Senators and build the support. But we want to go on record in the Senate, the U.S. Congress, as opposing trafficking for forced prostitution and domestic servitude, and acting to check it before the lives of more women and more girls are shattered.

One of the fastest growing international trafficking businesses is the trade in women. Women and girls seeking a better life, a good marriage, or a lucrative job abroad, unexpectedly find themselves forced to work as prostitutes or in sweatshops. Seeking this better life, they are lured by local advertisements for good jobs in foreign countries—including our country—at wages they could never imagine at home. Every year, the trafficking of human beings for the sex trade affects hundreds of thousands of women throughout the world.

The U.S. Government estimates that between 1 and 2 million women and girls are trafficked annually around the world. According to experts, somewhere between 50,000 and 100,000 women are trafficked each year into the United States alone. They come from Thailand, they come from Russia, they come from the Ukraine, they come from other countries in Asia, and they come from other countries from the former Soviet Union.

Upon arrival in countries far from their homes, these women are often stripped of their passports, held against their will in slave-like conditions, and sexually abused. Rape, intimidation, and violence are commonly employed by traffickers to control their victims and to prevent them from seeking help.

Through physical isolation and psychological trauma, traffickers and brothel owners imprison women in a world of economic and sexual exploitation that imposes a constant fear of arrest and deportation, as well as of violent reprisals by traffickers themselves, to whom the women must pay off ever-growing debts. Many brothel owners actually prefer foreign women—women who are far from home, far from help, don't speak the language—because it is so easy to control them. Most of these women never imagine the life in hell they would encounter, having traveled abroad to find better jobs or to see the world. Many believe that nothing would happen to them in rich countries like Switzerland, Germany or the United States. However, many of them now are put in a living hell.

Last year, First Lady Hillary Clinton spoke powerfully of this human tragedy. She said,

I have spoken to young girls in northern Thailand whose parents were persuaded to sell them as prostitutes, and they received a great deal of money by their standards. You could often tell the homes of where the girls had been sold because they might even have a satellite dish or an addition built on their house. But I met girls who had come home after they had been used up, after they had contracted HIV or AIDS. If you've ever held the hand of a 13-year-old girl dying of AIDS, you can understand how critical it is that we take every step possible to prevent this happening to any other girl anywhere in the world. I also, in the Ukraine, heard of women who told me with tears running down their faces that young women in their communities were disappearing. They answered ads that promised a much better future in another place and they were never heard from again.

Lest you think this is just in other countries, and this only happens in far off lands, let me talk about the United States. Earlier this spring, six men admitted in a Florida court to forcing 17 women and girls—some as young as 14—into a prostitution slavery ring. The victims were smuggled into the United States from Mexico with a promise of steady work, but instead they were forced into prostitution. The ring was uncovered when two 15-year-old girls escaped and went to the Mexican consulate in Miami.

According to recent reports by the Justice Department, teenage Mexican girls were also held in slavery in the Carolinas and forced to submit to prostitution. In addition, Russian and Latvian women were forced into nightclub work in Chicago. According to charges filed against the traffickers, the traffickers picked up the women upon their arrival at the airport, seized their documents and return tickets, locked them in hotels and beat them up. The women were told that if they didn't dance nude in nightclubs, the Russian mafia would kill their families. Further, over 3 years, hundreds of women from the Czech Republic who answered advertisements in Czech newspapers for modeling were ensnared in an illegal prostitution ring.

These victims are unfamiliar with the laws, they are unfamiliar with the language, they are unfamiliar with the customs, and quite often they don't know what to do. They are completely helpless. They are completely hopeless.

Trafficking in women and girls is a human rights problem that requires a human rights response. Trafficking is condemned by human rights treaties as a violation of basic human rights, and it is a slavery-like practice. Women who are trafficked are subjected to other abuses—rape, beatings, physical confinement—squarely prohibited by human rights law. The human abuses continue in the workplace, in the forms of physical and sexual abuse, debt bondage, and illegal confinement, and all are prohibited.

The Universal Declaration of Human Rights recognizes the right to be free from slavery and involuntary servitude, arbitrary detention, degrading or inhuman treatment, as well as to

the right to protection by law against these abuses.

The United Nations General Assembly has passed three resolutions during the last three years recognizing that international traffic in women and girls is an issue of pressing international concern involving numerous violations of fundamental human rights. The United Nations General Assembly is calling upon all governments to criminalize trafficking, to punish its offenders, while not penalizing its victims.

Fortunately, the global trade in women and children is receiving greater attention by governments and NGOs following the U.N. World Conference on Women in Beijing. The President's Interagency Council on Women is working hard to mobilize a response to this problem. Churches, synagogues, and NGOs are fighting this battle daily. But, much, much more must be done.

My bill provides a human rights response to the problem. It has a comprehensive and integrated approach focused on prevention, protection and assistance for victims, and prosecution of traffickers.

I will highlight a few of its provisions now:

It sets an international standard for governments to meet in their efforts to fight trafficking and assist victims of this human rights abuse. It calls on the State Department and Justice Department to investigate and take action against international trafficking. In addition, it creates an Interagency Task Force to Monitor and Combat Trafficking in the Office of the Secretary of State and directs the Secretary to submit an annual report to Congress on international trafficking.

The annual report would, among other things, identify states engaged in trafficking, the efforts of these states to combat trafficking, and whether their government officials are complicit in the practice. Corrupt government or law enforcement officials sometimes directly participate and benefit in the trade of women and girls. And, corruption also prevents prosecution of traffickers. U.S. police assistance would be barred to countries found not to have taken effective action in ending the participation of their officials in trafficking, and in investigating and prosecuting meaningfully their officials involved in trafficking. A waiver is provided for the President if he finds that provision of such assistance is in the national interest. This is a modest enforcement provision that will encourage governments to take seriously this extremely serious human rights violation.

On a national level, it ensures that our immigration laws do not encourage rapid deportation of trafficked women, a practice which effectively insulates traffickers from ever being prosecuted for their crimes. Trafficking victims are eligible for a nonimmigrant status valid for three months. If the victim

pursues criminal or civil actions against her trafficker, or if she pursues an asylum claim, she is provided with an extension of time. Further, it provides that trafficked women should not be detained, but instead receive needed services, safe shelter, and the opportunity to seek justice against their abusers. Finally, my bill provides much needed resources to programs assisting trafficking victims here at home and abroad.

We must commit ourselves to ending the trafficking of women and girls and to building a world in which women and children are no longer subjected to such horrendous abuses.

I urge my colleagues to support this important legislation.

I say to the chair of the committee, I will not introduce the amendment to today's bill. What we want to do is have an amendment, and I hope to get the support of the chairman of the Senate Foreign Affairs Committee, which will set an international standard for governments to meet in their effort to fight trafficking and assist victims of human rights abuse. It will call on the State Department and Justice Department to investigate and take action against international trafficking. It will create an interagency traffic force to monitor and combat trafficking in the Office of the Secretary of State. It will direct the Secretary of State to submit an annual report to Congress on international trafficking.

We will also take a look at what different governments are doing and which countries are involved in this illegal practice, what police forces are involved, and whether or not we ought to be taking action with a clear message that we, as a government, will not tolerate that.

On a national level, it will ensure that our immigration laws don't encourage the rapid deportation of women, that insulates the traffickers from being prosecuted. Women are terrified; they have no protection, and therefore, they can't even testify against what is happening to them. We want to make sure they are provided with some protection.

We want to commit ourselves to ending the trafficking of women and girls and to building a world in which women and children are no longer subjected to this horrendous abuse.

We don't agree on all issues, I say to the chairman of the committee, but I know him and I know he finds this practice abhorrent. Out of respect for him, I will not introduce this amendment to this bill because I know he wants to move the bill forward. There are a couple of issues we are trying to resolve in terms of getting support. I had a commitment from the chairman we will go forward with hearings. This will not be delayed.

Perhaps even more importantly, I say to the chairman, because he has had nothing to do with delaying this, I have been waiting for the State Department to come forward with their

modifications. I have asked for quite some period of time. My hope is within the next week we will be doing this work together. I will work with the chairman; I will work with Senator BIDEN; I will work with the State Department. We will come to some agreement on our language, which surely we can do. When the foreign operations bill comes to the floor, my hope is we will be ready with this amendment. If at that point in time I can't get the State Department to come forward and give me their suggestions and talk about their approach and have us work together, I will just bring the amendment to that bill and we will have an all out debate and a vote up or down and see where people stand.

I am convinced with a little bit more time—not too much more time but a little bit more time—I will get to work with the chairman and I will be able to get the support of the chairman of the Senate Foreign Affairs Committee and Senator BIDEN and other Senators and we can move this forward.

My goal is to get this passed. Members don't come to the floor to give a speech for the sake of giving a speech. Quite often, we don't even get to see, Senator HELMS, the results of our work in a concrete way. But we do know if we can pass something like this and get it in a bill, it can help a lot of people around the world, and we have done something good. I want to do something good, do something positive.

I will wait a little while longer. I do want the State Department to know I will not wait much longer. Let's go forward in the spirit of working together. This will not be something that we will delay and delay. We will pass this. Some good work is being done in the State Department. There is no reason we can't do this together. There is no reason this can't be a bipartisan bill. There is no reason why our government, our country, can't take the lead in trying to put an end to this abhorrent, unconscionable, vicious practice. This is a huge civil rights issue. As a Senator, I intend to address this with some good legislation.

I say to the Chair, I have already had a chance to speak on the amendment dealing with child soldiers. We have a modification.

What I would like to do now is call up amendment No. 697 and ask unanimous consent it be in order for me to modify the amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 697, AS MODIFIED

(Purpose: To express the sense of Congress that the global use of child soldiers is unacceptable and that the international community should find remedies to end this practice)

Mr. WELLSTONE. I send the modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 697, as modified.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment, as modified, is as follows:

On page 115, after line 18, add the following new section:

SEC. 730. SENSE OF CONGRESS ON THE USE OF CHILDREN AS SOLDIERS OR OTHER COMBATANTS IN FOREIGN ARMED FORCES.

(a) FINDINGS.—Congress makes the following findings:

(1) There are at least 300,000 children who are involved in armed conflict in at least 25 countries around the world. This is an escalating international humanitarian crisis which must be addressed promptly.

(2) Children are uniquely vulnerable to military recruitment because of their emotional and physical immaturity, are easily manipulated, and can be drawn into violence that they are too young to resist or understand.

(3) Children are most likely to become child soldiers if they are orphans, refugees, poor, separated from their families, displaced from their homes, living in a combat zone, or have limited access to education.

(4) Child soldiers, besides being exposed to the normal hazards of combat, are also afflicted with other injuries due to their lives in the military. Young children may have sexually related illnesses, suffer from malnutrition, have deformed backs and shoulders which are the result of carrying loads too heavy for them, as well as respiratory and skin infections.

(5) One of the most egregious examples of the use of child soldiers is the abduction thousands of children, some as young as 8 years of age, by the Lord's Resistance Army (in this section referred to as the "LRA") in northern Uganda.

(6) The Department of State's Country Reports on Human Rights Practices For 1999 reports that in Uganda the LRA abducted children "to be guerillas and tortured them by beating them, raping them, forcing them to march until collapse, and denying them adequate food, water, or shelter".

(7) Children who manage to escape from LRA captivity have little access to trauma care and rehabilitation programs, and many find their families displaced, missing, dead, or fearful of having their children return home.

(8) A large number of children have participated and been killed in the armed conflict in Sri Lanka, and the use of children as soldiers has led to a breakdown in law and order in Sierra Leone.

(b) SENSE OF CONGRESS.—

(1) CONDEMNATION.—Congress hereby joins the international community in condemning the use of children as soldiers and other combatants by governmental and non-governmental armed forces.

(2) FURTHER SENSE OF CONGRESS.—It is the sense of Congress that—

(A) the Secretary of State should—

(i) study the issue of the rehabilitation of former child soldiers, the manner in which their suffering can be alleviated, and the positive role that the United States can play in such an effort; and

(ii) submit a report to Congress on the issue of rehabilitation of child soldiers and their families.

Mr. WELLSTONE. Mr. President, I urge adoption of this amendment.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, we certainly accept this amendment, amendment No. 697, as modified. We have discussed it on both sides.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 697), as modified, was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mr. WELLSTONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Mr. President, I thank the Chair for his help and his support.

Mr. HELMS. To the contrary, I thank the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I commend the Senator from Minnesota for working with us on his amendments. The issues he raised are—"significant" is not strong enough. They are grave issues that ought to be considered, and I commend him for it. I assure the Senator the committee will continue to work with him to address his concerns.

Mr. President, we have made significant progress in the State Department authorization bill. We have now completed debate on the Feingold amendment, and we have just, obviously, accepted the modified Wellstone amendment. We are making progress on the Sarbanes amendment, which is the only remaining amendment to be debated. I understand some Senators wish to come to the floor and speak on the bill in general, and I encourage them to do that now. This afternoon we will vote on the Feingold amendment and possibly the Sarbanes amendment, and then we will move to final passage.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent Kathleen O'Brien, a fellow, and Meagan Fitzsimmons, who is an intern, be granted the privilege of the floor today.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 695

Purpose: To increase the authorizations of appropriations for "Contributions for International Organizations" and "Contributions for International Peacekeeping Activities")

Mr. SARBANES. Mr. President, I believe I have an amendment at the desk. Am I correct?

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES] proposes an amendment numbered 695.

Mr. SARBANES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 116, strike "\$940,000,000 for the fiscal year 2000 and \$940,000,000" and insert "\$963,308,000 for the fiscal year 2000 and \$963,308,000".

On page 121, line 6, strike "\$215,000,000 for the fiscal year 2000 and \$215,000,000" and insert "\$235,000,000 for the fiscal year 2000 and \$235,000,000".

Mr. SARBANES. Mr. President, I have been in discussions with the distinguished chairman of the committee. The committee is prepared to take the latter part of this amendment. I am prepared to withdraw the first part of the amendment, therefore obviating the need for a vote, although I would then like to speak about the bill and my general attitude toward it.

I make a parliamentary inquiry. If I were to ask for a division of the amendment and withdraw the first part of it, on page 116, would the next order then be to go to the second part of the amendment on page 121?

The PRESIDING OFFICER. That would be the order.

Mr. SARBANES. Mr. President, I ask for a division on the amendment.

The PRESIDING OFFICER. The amendment is so divided.

The amendment (No. 695), as divided, is as follows:

DIVISION I

On page 116, strike "\$940,000,000 for the fiscal year 2000 and \$940,000,000" and insert "\$963,308,000 for the fiscal year 2000 and \$963,308,000".

DIVISION II

On page 121, line 6, strike "\$215,000,000 for the fiscal year 2000 and \$215,000,000" and insert "\$235,000,000 for the fiscal year 2000 and \$235,000,000".

Mr. SARBANES. Mr. President, I withdraw the first part of the amendment, lines 1, 2, and 3, that read, "on page 116" down and through "\$963,308,000."

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

Mr. SARBANES. Mr. President, I understand that now before us is the second part of the amendment, lines 4 and 5 on page 1 and lines 1 and 2 on page 2; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. SARBANES. There was originally a two-hour time agreement on the amendment, equally divided. I will cut my time back to half an hour, but I thought we would go ahead and adopt it, if that is acceptable to the chairman.

Mr. HELMS. I think that is what we should do, and I hope we will.

Mr. SARBANES. I ask unanimous consent that following the adoption of the amendment I have 30 minutes to speak on the bill, and that will be in lieu of the 1 hour that had been re-served for proponents of the amendment.

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

Mr. SARBANES. I urge the adoption of the second part of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 695), as divided, was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I thank the chairman of the committee.

I now will speak on the bill, which presents some difficult issues. Despite the chairman's accommodation—which is a step forward that I appreciate—I still plan to vote against the bill, as I did in the committee. I say to the chairman that this decision has been made more difficult for me because this bill is now being named after Admiral Nance.

I wish the substance of the bill were such that I could feel free to vote for it. Unfortunately, I do not. But I want to make it very clear that if I could have improved the substance enough, the fact that Admiral Nance's name is on this bill would have clearly moved me in the direction of voting for it. Hopefully, it will come back from conference in a somewhat better state, and I might be able to vote for it then.

I wanted to say this at the outset because I, like so many Members of this body, had enormous respect and affection for Admiral Bud Nance and for his commitment to our Nation, both in war and in peace. I saw that commitment every day after he joined the chairman in the workings of our committee. His contributions were widely recognized and he will be greatly missed.

This amendment, which we have now adjusted, was an effort to keep us from going further into arrears to the United Nations in the current year. Under the compromise, we will authorize the full amount this year for peacekeeping, but we still fall behind on the contributions to international organizations.

The bigger problem connected with the legislation is the proposed package to settle our past arrears to the United Nations, which unfortunately, has two major shortcomings. First of all, the total figure does not reach the level which our Government admits we owe, missing it by a little under \$100 million if one includes debt relief. My second objection is that the money we do authorize has been heavily conditioned.

Let me just say at the outset that I believe important U.S. national interests are undermined by our continued

failure to pay what we owe to the United Nations and its affiliated agencies. I know the chairman and the ranking member are trying to search for a solution to this problem. I respect their efforts. I just do not think they have gone far enough along this important path.

By refusing to meet our legal obligations while continually issuing new demands, we are wasting our own influence, damaging our credibility and international respect, engendering resistance to the reforms we seek, and complicating the U.N.'s ability to perform its duties in a timely and effective manner. In my view, we should pay our arrears promptly, in full, and without additional conditions.

Unfortunately, this legislation does not accomplish that objective. The United States acknowledges we owe \$1.021 billion to the U.N. The U.N. says we owe \$1.5 billion. This bill authorizes \$819 million over 3 years, plus an additional \$107 million in credit. Even the \$819 million which is authorized will not be paid promptly and at once; it will be paid over a 3-year period. So we will still be almost \$100 million short of our acknowledged obligations, far short of the U.N. figure, with no promise of ever paying it back.

Unfortunately, that puts us in the position of a permanent default, particularly when one realizes that the authorization for the current year falls short. The amendment we just adopted helps to correct that on the peacekeeping side, but it still leaves us \$23 million short on regular dues to the United Nations.

Furthermore, the bill imposes a long list of arbitrary and burdensome conditions for paying even the reduced amount, to which I have just made reference. These conditions have not been negotiated with or agreed to by the United Nations. They are, in effect, unilaterally imposed by the United States. They are being imposed on past obligations, on money we had agreed to provide without such stipulations.

The consequence of these arrears is that the U.N. has been unable to reimburse other countries for sending their troops on peacekeeping missions that the United States encouraged and endorsed. Other countries have put the lives of their own citizens on the line in order to accomplish mutually agreed objectives. The U.S. responsibility in most of those instances was to provide money to cover the missions they were performing for us and the entire world. Those missions have been accomplished. The bill has not been paid.

In addition, despite my amendment, this legislation creates new arrearages to the U.N., so not only do we fail to pay all the money we owe in arrears, not only do we establish preconditions for this partial payment, but we begin to build up new debts by authorizing less than is needed.

The agreement that was reached on the amendment addressed this in part. It provided the \$235 million needed for

assessed peacekeeping operations. The bill had \$215 million. It still does not provide the full amount needed for assessed U.N. dues, falling short by \$23 million.

I must say, if any other country delinquent in its obligations showed up with the demands we have placed in this legislation, lacking the intention of paying its debts in full and short of its current dues, we would be extremely upset at what we would regard as its audacity. Surely our friends and allies will have the same reaction to our conduct.

This approach runs counter to that reflected in the exercise of American leadership at the end of World War II, an approach that I think should characterize our policy toward the United Nations today.

It is my strongly held view that the interests of the United States have been served by our Nation's active participation in the United Nations and the U.N. system. Especially now, with the end of the cold war, the U.N. has a genuine opportunity to function as it was intended at the end of World War II, without the constant Soviet veto in the Security Council that effectively neutralized it for so many years.

The task facing us today is to assist the United Nations to adapt to the end of the cold war and the challenges of the new century. The need for the United Nations remains clear, for as then-Ambassador to the U.N. Madeleine Albright commented:

The battle-hardened generation of Roosevelt, Churchill and de Gaulle viewed the U.N. as a practical response to an inherently contentious world; a necessity not because relations among States could ever be brought into perfect harmony, but because they cannot.

This sense of realism seems absent from many of the current discussions of the United Nations. There has been a misperception that the U.N. can somehow dictate policies to the United States and force us to undertake actions that do not serve U.S. interests. This is simply not the case. Those who labored in San Francisco and elsewhere to create the United Nations some half a century ago insisted that the United Nations organization recognize the reality of great powers by granting significant authority to the Security Council.

In the Council, the United States and other major powers were given the veto power, thereby ensuring that the U.N. could not undertake operations which the United States opposed. Every U.N. peacekeeping operation requires prior approval by the United States.

Actually, by failing to meet our financial obligations, we are abdicating the powers available to us within the U.N. system.

We are, for example, in danger of losing our vote in the General Assembly, a status generally reserved for the world's lawless and pariah states. Since the General Assembly works on the basis of consensus, we are depriving

ourselves of the ability to press for needed reforms.

The influence we held in the past by our leadership, reflected in the large number of senior posts awarded to U.S. nationals, is being eroded and subjected to challenge.

As Ambassador Richardson explained in the course of his confirmation hearings to go to the U.N.—he, of course, is now Secretary of Energy—I quote him:

Growing resentment over our failure to pay our assessed dues and arrears has put our continued leadership and influence at risk. . . . [A]mong the members of the Geneva Group, composed of the U.N.'s largest contributors and a crucial source of support for U.N. reform, there is virtually no willingness to consider reductions in our dues for peacekeeping or the regular budget until we pay our arrears. If the United States fails to meet its financial commitments to the U.N. system, it will become increasingly difficult to set the U.N. priorities for the future and to ensure that qualified Americans serve in important U.N. posts.

Let me just talk a bit about how an effective U.N. serves U.S. interests. I believe, of course, that U.S. leadership is essential to an effective U.N.

Over the years, the U.N. has negotiated over 170 peaceful settlements across the globe—helping to end wars, uphold cease-fires, protect civilians, re-integrate refugees, oversee the conduct of free and fair elections, monitor troop withdrawals, and deter intercommunal violence.

From Iraq to Bosnia and Kosovo, assembling coalitions to repel aggression and keep peace would have been impossible without assistance and support from the United Nations.

In Haiti, the introduction of U.N. peacekeepers meant that U.S. troops could be extracted without condemning the country to chaos, while in Cyprus, the U.N. prevents an outbreak of hostilities that could lead to conflict between two NATO allies.

The U.N. has not been able to handle every situation. Unfortunately, it has attracted the most attention in those instances when it has not been able to provide a resolution. People then conclude that it is totally ineffective. I beg very strongly to disagree with that conclusion.

As I have indicated, there have been numerous instances in which the U.N. has negotiated peaceful settlements. As a matter of fact, the Nobel Peace Prize has been awarded five times to the United Nations and its organizations.

U.N. operations further serve U.S. interests by leveraging our resources and influence in order to achieve a much greater impact at lesser cost than we could unilaterally.

I think those who constantly talk about the burdensharing theme—and I think it is an important theme; I have talked about it myself—need to recognize the U.N. has been, and can be, an even more important mechanism for burdensharing.

One of the things that needs to be understood is that by working through

the United Nations, we can often gain international endorsement for an American position. The U.S. position is then seen as representing the judgment of the entire international community and not solely the judgment of the United States. The mandate becomes a response by the entire international community and cannot be portrayed as the United States trying to impose its own point of view in the particular situation.

There are many examples of how the U.N. serves U.S. interests at a reduced cost and with great effectiveness. The International Atomic Energy Agency, with our small annual contribution, has helped prevent nuclear proliferation by inspecting and monitoring nuclear reactors in facilities in 90 countries, many of which would not allow access to the United States alone. The World Health Organization, working in concert with USAID and other bilateral agencies, led a 13-year effort resulting in the complete eradication of smallpox, saving an estimated \$1 billion a year in vaccination and monitoring, and helped to wipe out polio from the Western Hemisphere.

Through its High Commissioner for Refugees, its Children's Fund, the Development Programme, the International Fund for Agricultural Development, and the World Food Programme, the U.N. has saved millions from famine and provided food, shelter, medical aid, education, and repatriation assistance to refugees around the world.

The U.N. Environment Programme and the World Meteorological Organization have brought countries together to begin to address important environmental matters, to develop regional efforts to clean up pollution, and to predict and respond effectively to natural and manmade disasters.

Thanks to organizations such as the Universal Postal Union, the International Telecommunications Union, the International Civil Aviation Organization, and the International Maritime Organization—all agencies of the United Nations—there are procedures to ensure the safety and reliability of worldwide travel and communications.

By coordinating international sanctions against the apartheid regime in South Africa, the U.N. was instrumental in bringing an end to the apartheid system.

Through the efforts of the United Nations, over 300 international treaties have been enacted which set standards of conduct and enable cooperation in areas ranging from arms control to human rights and civil liberties, protection of copyrights and trademarks, determining maritime jurisdiction and navigation on the high seas, preventing discrimination against women, conserving biological diversity, and combating desertification.

Because of U.N. agencies, such as the International Labor Organization, and U.N.-brokered agreements, such as the Universal Declaration of Human

Rights, the American ideals of freedom, democracy, equality before the law, and the dignity of the individual have become internationally accepted, and the rights and protections that U.S. workers enjoy are being aggressively pursued in other countries.

International trade and commerce would be hamstrung without the World Bank, the International Monetary Fund, the World Trade Organization, and the regional development banks, not to mention the many agreements negotiated under their auspices. All of these grew from the U.N. system.

I went on at some length about these matters because we do not often focus on them. A lot of the very positive work done by the U.N. is simply taken for granted, falling below the “radar screen” for most people. Many do not appreciate that it is the U.N. that is conducting all of these important activities, and they fail to understand how discomfited they would be in their lives if these activities were not carried out, which the United Nations has been doing, year in and year out.

The U.N. has been a favorite target of criticism. Certainly there are activities and practices of the U.N. that have been wasteful or ineffective and that require reform. But I think the strategy of unilaterally withholding funds until all our demands are met is counterproductive, particularly in the current circumstance.

Since his election in 1997, U.N. Secretary General Kofi Annan—whose candidacy, of course, was strongly supported by the United States—has instituted a number of significant reforms, including a zero-growth budget, the cutting of administrative costs, the elimination of almost 1,000 positions, the creation of an independent inspector general, the consolidation of overlapping agencies, the establishment of more budget oversight, and tighter budget discipline.

I know some think he has not gone as far as he should go, that he has not fully implemented all of these reforms, and there is some truth to that. But the fact remains, he is trying to run an organization that operates by consensus. He has set out the proper direction and the proper goals. He is doing his very best to move the agency along the right path.

Frankly, I think the United States can be more helpful in the reform effort. We do this not by being the biggest delinquent in dues paying, which only brings resentment against our calls for change; we should pay our obligations in full so we can regain the credibility and respect needed to push for further reforms.

It is both ironic and unfortunate that a nation that holds itself and its citizens to the highest standards of law should find itself in default of its international obligations. Our democracy is founded on the primacy of respect for the rule of law. We urge other nations to follow our example.

It is often a tremendous challenge to get countries to respect the basic

rights of their citizens and to act in accordance with international law. Yet we ourselves are not meeting those high standards as they relate to the United Nations. We undertook commitments under the U.N. Charter. We have a responsibility to make good on them if we want other countries to uphold their international agreements.

The United States is the great power in the world today, and with that role come important responsibilities in how we exercise that power. I think we are failing here, with respect to our commitments to the U.N., to exercise those responsibilities in a manner that will strengthen our position and serve our Nation in the international community. We have not only a legal and moral obligation to pay our dues, but a practical interest in doing so as well.

So while I respect the efforts that have been made in the committee, and while I recognize that I was a lonely voice for this position in the committee, I think that offering only a partial and a heavily conditioned repayment of the U.S. debt to the United Nations will not meet our obligations and will not enhance our interests.

Seven former Secretaries of State have written an open letter to the Congress urging the United States to honor its international commitments and pay its debt to the United Nations. I think their letter is a powerful statement about the importance of U.S. leadership and the risk that non-payment of our debt to the U.N. will pose for U.S. security and international influence. That letter was signed by former Secretaries Kissinger, Haig, Baker, Christopher, Vance, Shultz, and Eagleburger—Democrats and Republicans alike.

I ask unanimous consent that their letter, which was sent to the Speaker of the House, the House minority leader, the Senate majority leader, and the Senate minority leader, be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. SARBANES. Mr. President, the arrears package in this bill is a significant step toward meeting our international obligations. But I am deeply troubled by its failure to authorize the full amount that United States itself admits we owe, let alone what the U.N. claims we owe.

Secondly, even making that money available, or any part of it, is very heavily conditioned in this legislation. In other words, we are saying to the U.N.: Yes, we are willing to pay some of what we owe, but in order to get any of this money, you will have to comply with a long list of conditions—several of which I think will be extremely difficult for them to meet. In any event, it is sort of a “take it or leave it” approach. This was not part of a negotiated agreement. We are going to approve the package and then present it to them. I think we may encounter a

difficult reaction to this and see a continuing problem.

Third, as I indicated, even with the accommodation made on the amendment earlier, we still create new arrears. So it is not as though we are able to say to the U.N. that this is the package we propose for arrears and, in the future, we are not going to let this situation arise again. In other words, we aren't really on board here to meet our continuing obligations to the organization, which in substantial measure has been responsive to American interests. Instead, we are going to continue to go into arrears, extending the problem which has brought us to the impasse we now confront.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. SECRETARIES OF STATE TO CONGRESS:
U.S. LEADERSHIP IS AT RISK

Hon. DENNIS J. HASTERT,
Speaker of the House.
Hon. TRENT LOTT,
Senate Majority Leader.
Hon. RICHARD J. GEPHARDT,
House Minority Leader.
Hon. THOMAS A. DASCHLE,
Senate Minority Leader.

MARCH 16, 1999.

DEAR CONGRESSIONAL LEADERS: As America's financial debt to the United Nations persists, we are deeply concerned that our great nation is squandering its moral authority, leadership, and influence in the world. It's simply unacceptable that the richest nation on earth is also the biggest debtor to the United Nations.

We are writing to urge all Members of Congress to support full funding of the outstanding and current U.S. legal obligations to the United Nations and to alert Congress to the serious consequences if we fail to do so. U.S. leadership is at risk. Our ability to achieve vital foreign policy and security objectives is compromised. Our priceless reputation as the pre-eminent country committed to the rule of law is compromised. And, the critical work of the United Nations is threatened.

As former Secretaries of State, we know first hand the importance of the United Nations and its agencies in securing global peace, stability and prosperity. And we appreciate that now more than ever, the U.S. must lead in the community of nations to turn back threats to peace and freedom, whether from war or hunger, terrorism or disease. We cannot lead if we ignore our basic international responsibilities.

There are historic consequences to our continued failure to meet our obligations. The United States, one of the founding members of the United Nations could lose its vote in the UN General Assembly.

Important reforms have occurred at the United Nations, many at America's urging: a no-growth budget from 1994-98 and an actual reduction of \$123 million for 1998-99, creation of an office of inspector general which has identified more than \$80 million in savings, more than 1,000 positions cut, and other cost-saving measures. Payment of U.S. arrears is critical to continuing this reform.

We urge you: honor our international commitments and pay America's debt to the United Nations. Great nations pay their bills.

Sincerely,

HENRY A. KISSINGER.
ALEXANDER M. HAIG, JR.
JAMES A. BAKER, III.
WARREN M. CHRISTOPHER.
CYRUS R. VANCE.

GEORGE P. SHULTZ.
LAWRENCE S.
EAGLEBURGER.

Mr. KERRY. Mr. President, the pending bill fails to authorize the Administration's full request for funding for U.S. contributions to international organizations and for U.S. contributions to international peacekeeping activities. I am pleased to cosponsor the amendment offered by my colleague, the Senator from Maryland, because it at least partially rectifies this situation by bringing the authorization for one of these two accounts up to the Administration's full request for Fiscal year 2000.

The bill before us today makes significant strides in the on-going efforts of the Congress and the Administration to pay U.S. arrears to the United Nations and achieve much-needed reforms in that organization. I commend both the chairman of the Foreign Relations Committee, Senator HELMS, and the ranking Democrat, Senator BIDEN, for this important accomplishment. Working closely together and working closely with the Administration, they have reached an agreement that will allow the United States to begin restoring its status as a member-in-good standing of the UN.

I believe many of my colleagues share my profound relief that, with this bill, the United States will take an important step toward paying what we owe to the United Nations. For the United States to fail to meet its treaty obligations as a founding member of the United Nations is, in my opinion, conduct unworthy of this great nation.

In our increasingly interconnected world, even a great nation—even the sole remaining superpower—can not protect and advance its national interests alone. We need not look any further than the last few weeks, as the United States and our NATO allies have worked to bring an end to the conflict in Kosovo, to see just how important the UN is to our ability to exert positive international leadership. For every day we have allowed U.S. dues to go unpaid and U.S. arrears to mount, our leadership in the UN has been subtly, but surely undermined. As we take the important step today of authorizing the payment of most of what we owe to the UN, we just as surely take a step toward reinforcing U.S. leadership around the world.

This bill does not, unfortunately, authorize payment of the full amount the State Department says we owe the UN. Of the \$1.021 billion we acknowledge that we owe, this bill only authorizes payment of \$819 million in direct payments and \$107 million in debt forgiveness. We still fall \$95 million short. I look forward to working with my colleagues on the Committee to ensure that the full amount of U.S. arrears to the UN are paid.

The amendment offered by Senator SARBANES, by ensuring the authorization of full-funding for what the U.S. currently owes for peacekeeping is

critical to continuing the hard-fought effort to restore U.S. standing in the United Nations. By cutting the level of our current contributions to the UN's regular budget and peacekeeping activities as this bill does, we run the risk of increasing our arrears in the very same bill where we are paying them down. The amendment offered by Senator SARBANES would ensure that we do not take one step forward and two steps back on paying what we owe to the United Nations. I strongly support this amendment.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I thank the Senator from Maryland for his statement and cooperation. I thank the chairman for working out a compromise with the Senator on his amendment.

I must say, I would be more comfortable if I could be pure on this, because I happen to agree with the Senator from Maryland. I think we owe a total amount of probably \$1,021. The U.N. says we owe \$1,509. We do not, in my view. I would be more comfortable if we could have gotten all of that. Quite frankly, I would be more comfortable, as a matter of principle, if there were no conditions.

So I began this process 6 years ago exactly where the Senator is. The arrears began to mount in larger numbers, really with UNPROFOR in Bosnia. I know the Senator knows that a significant amount of what the United States "owes" is for peacekeeping missions. It is owed to France, the U.K., Italy, Belgium, Netherlands, Canada, India, Pakistan, Russia, and Germany. It is not dues in the sense that we belong to a club, or a country club, and you have yearly dues. This is more like at the end of the year when they say we ran over X amount of dollars and you assess the members beyond their dues. That is what we owe, in large part.

I know the Senator knows this, and I thank him for his acknowledgment of our attempt to do the best we could. But I think, as I said, on principle, we should pay our obligations in full with no conditions.

We should negotiate conditions from this point on, if we want to, because I think the Senator would agree with me that the U.N. is a badly run outfit in terms of its management skill.

It has been the employer of first resort for a significant number of countries, understandably. It is a bloated bureaucracy, which has been worked upon positively by Kofi Annan, and there has been progress made. But it is not an institution that we had in mind when we signed on in San Francisco. We didn't expect it to turn out to be as inefficient as it has, understandably.

It has also done an incredible amount of very good work. I believe, as the President said with regard to the United States, the United States is the "essential nation." I believe it is the

essential international organization. I am committed to it.

But, a friend of mine, when I used to serve on the county council in New Castle County, DE, a Republican named Henry Folsom came down to Washington—by the way, in the Reagan administration. Henry used to say, God bless his soul, "Joe, remember. Politics is the art of the practical."

Practically speaking, my pure stand of saying "no conditions and all the money" was rhetorically very appealing. But it didn't do a thing.

It was only, quite frankly, when the Senator from North Carolina—who has been a critic over the years of the United Nations—decided we had to fix this somehow; that we ended up over a period, I would say to the chairman, of probably 2 years of talk, negotiating, arguing, and compromising that we ended up where we are today. Where we are today is four-fifths or more of the way home.

Still, I for one do not like the conditions that precede us paying. I would rather say that these are conditions that we hope would be met, notwithstanding whether or not we would pay. But we are where we are.

So this is a process. This is a process.

I have spoken with all but two of the former Secretaries of State on this matter. When I put the question to them, as I did to Kofi Annan—All right, do you want this or do you want nothing?—every single person involved with the United Nations to whom I have posed that question said: No. No we will take this. We will take this.

The truth of the matter is there are choices. Our choices are this or nothing. All of us who are devoted to the United Nations, in terms of thinking it an essential body, have been unable to get a penny—a penny—toward these arrears. We have been noble, myself included, in our efforts. But we haven't gotten a penny for those "arrears."

Where we are today is with a decision. That is, is it partial, more than partial, is it the bulk of the arrears to be paid, conditioned upon things which this Secretary of State says—by the way, the last piece of this was negotiated not by the Senator from Delaware and the Senator from North Carolina but by the Secretary of State speaking for the President of the United States and the chairman of the committee.

The administration has been candid. They said they are not sure they can get all of it done. They think they can. They are going to fight for it. But they think it is worth the fight—that it is worth the candlestick.

We are seized with a decision that I think is going to overwhelmingly pass, which is, do we keep these conditions that have been altered in light of the passage of 2 years of time to make them more likely to be able to be met, coupled with the \$926 million paid out, as the bill calls for, much of it front-end loaded, or do we step back and say no, we are not going to?

I know the Senator from Maryland isn't suggesting this. But the other alternative is to step back and say unless we get it all, no conditions, all the arrears, we are not going to do anything, we will not be creating new arrears with this deal.

By the way, even though we are authorizing less than the administration requested for contributions to international organizations, we are about \$43 million above what is needed in the first place.

I understand the State Department will soon announce a \$28 million surplus in the fiscal year 1999 international organizations account. This would be applied to reduce the amount requested for fiscal 2000.

Also, because of exchange rate gains, the request is \$20 million too high, as of April 30. \$7 million is requested for war crimes commissions in Iraq and Cambodia. As much as I would like to see the commissions, neither looks likely in the very near future.

Finally, there is \$8 million in the budget request to cover exchange rate fluctuations, but the committee bill already contains language that guards against adverse exchange rate variations. Section 801(f)(1) states:

...there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 and 2001 to offset adverse fluctuations in foreign currency exchange rates.

I am confident we have authorized enough funds to meet our current obligations to international organizations. I understand the Senator's concern and fear. But I do not believe when we pass this authorization bill, if it were appropriated as we suggest, that we are going to be further and further behind in this process.

It is true that we have not fully funded the administration's request for arrears payments to the United Nations and other international organizations. We are \$95 million short of our request.

As I have said, in an ideal world I would like to pay our arrears to the United Nations in full, immediately, and without condition. But I have made a judgment, and I believe the correct one, a pragmatic judgment, because I know that such a proposal has no chance of passing—"no conditions, all the money."

In the last Congress, I asked the administration to give me a bottom line figure for arrears to the United Nations with which they could live. The administration responded with a memorandum to me which stated they were willing not to pay \$68 million in arrears to UNIDO, an organization that we withdrew our membership from earlier in this decade.

Their judgment is that a total of \$68 million in arrears is owed to an organization in which we are not a member, and to which we have no intention of paying membership dues.

They also told me they would apply an expected refund of \$27 million from the U.N. to reduce our arrears. Unfortunately, that \$27 million was used to

reduce the fiscal year 1998 contributions because our bill got stalled in the House. Otherwise, we would have been in pretty good shape.

For those who are wondering how we came up with \$926 million, if we added \$68 million to the \$27 million and subtract that from the total of \$1.021 billion we owed, then we would arrive at our figure.

What we did was essentially pay the entirety of the arrearages that we thought were owed absent the \$68 million they said they didn't want to pay to an organization we weren't a member of, and not contemplating the fact they have to use the \$27 million because this bill got slowed up. It is true that \$27 million U.N. refund has already been used and, thus, is not available for arrears. But I would note that this sum can be easily subtracted from arrears owed to the specialized U.N. agencies. Even with the \$926 million provided in our plan, many of the specialized agencies will have to create or expand programs to absorb the arrears payments they are going to receive.

It sounds a bit counterintuitive that a plan which is supposed to control the size of the U.N. could actually end up expanding it temporarily. That will be the short-term effect for many of the specialized agencies, if they decide to devise ways to spend the extra money that is going to be flowing in.

Again, I personally would like to fully fund the administration request. I think I have outlined a solid political and substantive rationalization for providing the lower figure.

Finally, I emphasize again that there is \$8 million in the budget request to cover exchange rate fluctuations. The committee bill, as I said, already contains language to guard against an adverse exchange rate. It is section 801(F)1. It states:

There are authorized to be appropriated such sums as may be necessary in each fiscal year 2000 and 2001 to offset the adverse fluctuations of foreign exchange currency rates.

I still agree with my friend from Maryland. That is, I believe the real hangup is the conditions. The truth of the matter is, we have basically paid all the arrears that we owe, that we say we owe. If you accept the administration's position that the \$68 million owed to an organization we have been fighting with for 10 years, and we have been out of it for 3 or 4 years, that if we do not pay the \$68 million owed—and had we not had the House stall with what Senator HELMS and I put together 2 years ago, we would be at the \$1.021 billion. Again, it would be better if even that were done. I am not arguing that.

I almost hesitate to make the point, to be honest with my friend from Maryland, this is a fragile coalition we put together. I am not sure we would get all the Republican votes we need if we thought we were paying everything we owed. I don't want to go around making a big deal of the fact we are paying everything we think we owe,

short of those two accounts, to be very blunt. I guess I shouldn't be so blunt. That is the truth of the matter, from my perspective, politically.

We have done a heck of a job. I don't know whether to praise my friend or not, because my praise on this issue is probably not very helpful to him, so I won't. But let me say there has been a very good-faith effort on the part of my friend from North Carolina. This is not nearly as draconian as it sounds.

Again, the single most significant thing my friend from North Carolina extracted in return for essentially paying off our arrears were the conditions that exist. The essence of the deal is, we basically paid all the arrears we say we owe, if this becomes law, if this is appropriated, in return for conditions to do things I don't disagree with my friend on, but I don't think we should have done it the way we did. I think we should have said, pay the arrears, and, by the way, from this point on, we are not going to unless these conditions persist.

However, politics is the art of compromise. The Senator from North Carolina has made a significant compromise here to get us to this point. Because of his standing on his side of the aisle and, quite frankly, his standing nationally, as one who is not about to be viewed as easily taken over by the U.N., I think the mere fact that he has done this adds a credibility to the process that exceeds by far and away the dollar value that would have been accomplished, had we gotten another \$95 million or thereabouts in the account.

This is only the beginning of the fight. The Senator put his credibility on the line to get this done one time before. The House concluded that for reasons I will not take the time to go into now, that it would not do this.

The House committee, our comparable committee, has been good on this issue. But it is a different thing when it gets to the House floor. Although we are technically halfway there, if we pass this bill today, the truth of the matter is, we are probably only about 30 percent of the way there because there are other hurdles on the House side we have to overcome.

I truly appreciate the views of the Senator from Maryland, with whom I agree 100 percent. I also truly appreciate the statesmanship of my friend from North Carolina who has brought us to this point. Without him, quite frankly, this couldn't be done. That old expression we have overused, "Only Nixon can go to China," only HELMS could take us this far.

That is literally true. That is not an exaggeration. I thank him for that.

Hopefully, this is the beginning of a process that puts us in good stead, strengthens the United Nations, and makes it a more viable and tightly run organization.

I yield the floor.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from North Carolina.

Mr. HELMS. Mr. President, listening to my dear friend from Delaware, JOE BIDEN, I harken back to the days when there was very little working relationship between the two parties on the Senate Foreign Relations Committee. Today, I think the working relationship is very good. That is due to the efforts of Senator BIDEN and his desire to make things work.

Let me be candid. I am not in the mood to give away the store, and I haven't given it away regarding the United Nations yet. It remains to be seen whether the reforms both of us have been demanding will be in place early enough for this proposition, which I will discuss in just a minute, to take place. We will see.

I can't tell the Senate how many times my best friend—next to Dot Helms—Admiral Nance and I have talked about this very issue. Bud Nance is gone now, but I remember his counsel on this bill.

This measure is important to me because it bears the name of the Admiral James Wilson "Bud" Nance State Department Authorization bill. Bud is gone; he is at the Arlington National Cemetery, after a distinguished career. I miss him.

However, both Senator BIDEN and I are blessed with excellent staffs. I thank staff on both sides. For the minority, the Democrats, I especially thank the inimitable Ed Hall, Brian McKeon, Runuet Talwar, Diana Ohlbaum, Janice O'Connell, and Joan Woodward.

I am especially grateful to the Senate's legislative counsel, Art Rynearson, and, of course, the best part for me, the majority staff of the Senate Foreign Relations Committee. The staff was put together by Admiral Nance and me, but he became the chief of staff of the Foreign Relations Committee. Steve Biegun has succeeded Bud Nance. He has been very artful in his contribution to this measure. Patti McNerney, Garrett Grigsby, Marshall Billingslea, Michael Westphal, Beth Stewart, Roger Noriega—this Noriega was born in Kansas, by the way—Kirsten Madison, Marc Thiessen, Sherry Grandjean, Dany Pletka, who has just given birth to her second little girl—Richard Fontaine, Jim Doran, Natasha Watson, Christa Muratore, Laura Parker, Christa Bailey, Andrew Anderson and Susan Oursler. All of these young people on both sides have made a mighty contribution not only to the composition of the bill but the fact we were able to compose it at all.

We are working together now. I want to say to my friend, Senator BIDEN, I appreciate his friendship and his cooperation. I extend my congratulations to him.

Now then, this bill addresses several significant oversight and authorization issues that ought to be at least mentioned before we go to a vote.

No. 1, it proposes to strengthen and preserve the arms control verification functions of the U.S. Government while

addressing other nonproliferation matters as well.

No. 2, the bill authorizes a 5-year construction blueprint for upgrading U.S. embassies around the world to provide secure environments for America's personnel overseas. Unlike the funds provided more than a decade ago in the wake of a report by Admiral Inman calling for improved security of U.S. embassies, this bill would create a firewall for funding of other State Department expenditures. This, of course, would ensure that embassy funds are not raided again to pay for other State Department pet projects. I am just not going to stand for it, and this bill makes that very clear.

This bill makes some reforms to strengthen the Foreign Service and significantly, as Senator BIDEN has discussed at some length, the bill includes the United Nations reform package. This is not something we are going to lay on the table and say we are going to do someday. It is going to be done now. The United Nations is going to be reformed now or there is going to be trouble ahead. The reform agenda required by this bill, prior to payment of any U.S. taxpayers' dollars, has the full support of the Secretary of State and Senator BIDEN and me. These reforms were approved by the Senate during the 105th Congress by a vote of 90 to 5, with 5 Senators absent. But, of course, those reforms were vetoed by the President of the United States.

In conclusion, I want to pay my respects to all who have participated in the building of this legislation, those with whom I have disagreed as well as those with whom I have agreed. All in all, I think it is a very fine bill and I am glad to have had a very small part in it.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. WELLSTONE. Mr. President, we are going to debate H.R. 975. I ask unanimous consent I be allowed to perhaps speak for 5 minutes on this bill.

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

STEEL IMPORT LIMITATION

Mr. WELLSTONE. Mr. President, I think I will come back to the floor, and depending on how many Senators are out here, I will speak more on this. But in this short period of time I want to try to deal with some of the arguments on this very important cloture vote on H.R. 975. There are three arguments I want to address in 4 or 5 minutes.

The first argument is that the steel crisis is over. That is what I hear from the White House. I say to my col-

leagues, I spent the weekend on the Iron Range in northeastern Minnesota, both in Duluth and on the Iron Range in Minnesota. If you were to speak to some of the 108 workers who have been laid off at EVTAC Mining, or talked to the workers at Minntac who had to make all sorts of concessions last fall to avoid layoffs, or if you were to talk to workers at LTV in Hoyt Lakes, you would find quite another reality. I think it would be hard for the administration or any Senator, Republican or Democrat, to go to the Iron Range in Minnesota, where we produce the iron ore for our steel, and tell these workers or their families that this crisis is over. This crisis is far from over.

To go to the flip side of the coin, but it is the same coin, I ask unanimous consent a letter dated June 18 from the CEOs of the major steel companies to Secretary Daley be printed in the RECORD.

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

Hon. WILLIAM M. DALEY,
Secretary of Commerce, Washington, DC.

DEAR MR. SECRETARY: We regret that your schedule required the cancellation of our meeting with you today. There are issues that are vital to our industry and to the Department's mission in trade law enforcement that require us to meet together as soon as you can do so.

We feel compelled, however, since we could not meet with you today, to convey to you immediately our emphatic disagreement with the comment attributed to you in this morning's Washington Post that "the steel crisis is over".

The steel crisis is still very much with us. Imports volumes are down from the disastrous levels of 1998 but are still very high by historic standards. While imports of hot-rolled steel are down dramatically due to your enforcement actions, the surge of imports in 1998 caused inventories to balloon to extremely high levels. These inventories have seriously depressed prices up until the present and will continue to do so until these stocks have been worked down. Moreover, cold-rolled imports are up dramatically through April of this year, 24% above the level of the first four months of last year. Imports of cut-to-length plate are up dramatically—25% year-to-year for this period. (If full year 1999 imports decline, it will only be because of the Department's prosecution of the cases against unfair trade that our companies recently filed.)

Prices remain extremely depressed. The producer price index for all steel mill products is down 9% (1999:Q2/1998:Q2). This is the largest decline in nearly 20 years. Prices for hot-rolled sheet, cold-rolled sheet and plate are down 11%, 9%, and 15%, respectively.

Operating rates have plunged from 93% to 80% between January and December 1998 and have remained at the depressed level through the first half of 1999. The decline in operating rates equates to about \$2 billion in lost revenue in the second half of last year. On an annualized basis, a 10% change in operating rate equals about \$5 billion in revenue. (Please see the attached charts addressing the facts set out above.)

The depressed prices and operating rates caused most American steel companies to post losses in the most recent quarter. Several steel companies have been forced into bankruptcy. Thousands of those who were laid off due to unfairly traded imports are

still out of work. Many thousands have seen their workweeks shortened and are still not back to full time.

For our industry, therefore, this crisis is far from over. It is very real, and very much with us.

We look forward to meeting with you soon. Your role in overseeing the Department's vigorous enforcement of the trade laws last fall was vital in preventing what is a continuing crisis from turning into an irreversible disaster. Your prompt action taken in initiating and prosecuting cases against dumping of hot-rolled steel from Japan, Russia and Brazil was essential to curtail the surge in these unfairly traded imports. The personal attention and energy which you have devoted to enforcing U.S. trade laws at the height of the import surge is deeply appreciated by all of us.

The Department is proceeding now to investigate other steel cases in cut-to-length plate and is due to make public its initiation decisions on the cold-rolled steel cases on Tuesday. These actions and decisions are vital to the future of the American steel industry.

Very truly yours,
Hank Barnette, Chairman & Chief Executive Officer, Bethlehem Steel Corporation; James DeClusin, Senior Executive Vice President, California Steel Industries; Don Daily, Vice President & General Manager, Gallatin Steel; Joseph Cannon, Chief Executive Officer & Chairman, Geneva Steel; Robert Schaal, Chairman and Chief Executive Officer, Gulf States Steel, Inc.; Roger Phillips, President and Chief Executive Officer, IPSCO Inc.; Dale E. Wiersbe, President and Chief Operating Officer, Ispat Inland Inc.; J. Peter Kelly, President & Chief Executive Officer, LTV Steel Company, Inc.; John Maczuzak, President & Chief Operating Officer, National Steel Corporation; Keith Busse, President & Chief Executive Officer, Steel Dynamics, Inc.; Paul Wilhelm, President, U.S. Steel Group, a Unit of USX Corporation; Richard Reiderer, President and Chief Executive Officer, Weirton Steel Corporation.

Mr. WELLSTONE. Mr. President, they make it clear the crisis is far from over as well.

The global conditions at the root of the crisis have not gone away. Imports from the major foreign producers have declined, but other countries have taken their place and we see major producers shifting to different steel products to get around the dumping orders. We need this Rockefeller bill to plug the loopholes.

Dumping cases take time. In many cases the relief is too little too late, or it gets negotiated away in suspension agreements. I am afraid someday we are going to wake up and we are not going to have any steel industry at all.

In my State of Minnesota we were a part of what happened in the 1980s, when we lost 350,000 steelworker jobs and 28,000 people left the Iron Range for good. As a Senator, I do not want to let that happen again.

The second argument that is made by the administration is that we cannot go forward with this bill because this is quota relief, and the question is whether or not quota relief is WTO-legal.

I see here a bit of a double standard. When Mr. Carl Lindner from Chiquita