

issued its so-called white paper which warned that if Taiwan indefinitely delays negotiations on reunification, China will "adopt all drastic measures possible, including the use of force."

This goes beyond China's previous statements that it would take Taiwan by force only if it declares independence or were occupied by a foreign power. The more democratic Taiwan has become, the lower the bar appears to be for military intervention and a hostile settling of the Taiwan issue.

These aggressive statements obviously only serve to increase tension in the region and make a peaceful settlement among the people of Taiwan and the People's Republic of China much more difficult. This belligerent approach obviously has precedent, almost an exact precedent. In 1996, also on the eve of a Presidential election in Taiwan, the People's Republic launched missiles in a crude attempt to intimidate the people of Taiwan as they approached their election.

It now appears that the election of Taiwan's new President will be close. It is critical to the functioning of Taiwan's democracy that they thwart any belief in Beijing that intimidation will solve or contribute to the relationship between these peoples. It is critical that the people of Taiwan stand resolute and that their voters not allow these actions to intimidate them.

There is obviously an American role. The United States must respond to this ultimatum by making it absolutely clear that our position is firm; it is unequivocal. The dispute between Taiwan and Beijing will not be settled by military means, and the United States, in a policy that is not unique to Taiwan, will not idly witness a free people in a democratic nation be invaded or occupied and have their political system altered by armed aggression.

This, I believe, is the cornerstone of American foreign policy in the postwar period. It remains central to who we are as a people and our role as the world's largest and most powerful democracy. Any ambiguity will, on the other hand, only serve to embolden Beijing and can lead to dangerous misinterpretations and miscalculations.

There is, within this Congress, the opportunity to end any possible ambiguity. The House of Representatives has passed, and the Senate has before it, the Taiwan Security Enhancement Act. Senator HELMS and I introduced this legislation last year in the Senate. The House has spoken overwhelmingly in favor of our legislation, as modified. The question is before this Senate.

The legislation Senator HELMS and I have offered is designed to ensure Taiwan's ability to meet its defensive security needs and to resist Chinese intimidation. It imposes no new obligations on the United States. The legislation, as passed by the House, will simply strengthen the process for selling defense articles by requiring an annual report to Congress on Taiwan's defense requests and ensuring that Taiwan has

full access to data on defense articles. It mandates the sale of nothing. It requires the transfer of no specific article. It does guarantee that this Congress understand the security situation, Taiwan's requests, and a flow of information. It improves Taiwan's military readiness by supporting Taiwan's participation in U.S. military academies, ensuring that their military personnel are trained, understand American doctrine, and could coordinate if there were a crisis. This is not only good for Taiwan, it is good for the United States, ensuring that if tragically there ever should be a confrontation, our own Armed Forces are in the best position to train people familiar with our doctrine and any mutual obligations.

Finally, it requires that the United States establish secure, direct communications between the American Pacific Command and Taiwan's military. Nothing would be more tragic than to enter into a military confrontation by mistake or misinformation. This ensures reliable, fast, secure information so the situation is available to our own military commanders.

The legislation does not commit the United States to take any specific military actions now, later, or ever. A full range of options are available to the President and to the Congress. It also does not alter or amend our commitments under the Taiwan Relations Act. Rather, it helps us to fulfill those commitments under the act and ensures that Taiwan's security needs are adequately met.

If we pass this legislation, it makes it less likely that we will become engaged in any future conflict because there will be no ambiguity, no chance of miscalculation because of Taiwan's ability to strengthen itself, and because of our mutual ability to assess defensive needs, less chance of a military calculation in the mistaken belief that either Taiwan will not be defended or have the ability to defend itself.

There is an important national interest in integrating the People's Republic of China into the world's economy and in promoting the growth of democracy and human rights in a nation that will play a vital role in the coming century. But our overall relationship cannot possibly develop quickly and positively if China continues to seek a military solution to the question of its relations with the people of Taiwan.

By not making our policy clear, by not assessing the military situation, we do not contribute to the avoidance of military conflict. We enhance the possibility of military conflict. This legislation, I believe, is a strong statement that avoids miscalculation and lessens the chances of conflict. President Clinton made a strong statement last week in support of a peaceful resolution of this issue when he said:

Issues between Beijing and Taiwan must be resolved peacefully and with the assent of the people of Taiwan.

This formulation's emphasis on the "assent of the people"—the words used

by President Clinton—is new and important.

Together with this Taiwan Enhancement Security Act, I believe it is an important contribution in this current debate on the problems of Taiwan security. It is, most importantly, in accord with the language of the Taiwan Security Enhancement Act as passed by the House, which states, "Any determination of the ultimate status of Taiwan must have the express consent of the people of Taiwan."

The Taiwan Enhancement Security Act, therefore, and President Clinton's own statement in response to recent provocations by Beijing, are not only similar, they are identical. I believe the House of Representatives, in changing the Helms-Torricelli approach, has made a valuable contribution. I believe, for the maintenance of the peace and ensuring this Nation's commitment, that those nations which have chosen to be democratic, pluralist nations, governed with the consent of their own people—the commitment of this Nation that those nations will not by force of arms or intervention have their forms of government changed or altered will be enhanced.

Taiwan, today, is the cornerstone of that American commitment. Tomorrow, it could be Africa or Latin America. How we stand now on the eve of these free elections in Taiwan will most assuredly constitute a powerful message in all other places where others would challenge these new and fledgling democracies.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. LIEBERMAN. Mr. President, I ask what the pending business is.

Mr. SANTORUM. We are in morning business.

THE RISING COST OF FUEL

Mr. LIEBERMAN. Mr. President, I rise this afternoon to speak with my colleagues about the justifiably increasing concern among the American people about the increasing price of gasoline and other fuels.

The fact is that our gas pumps are fast turning into sump pumps for American pocketbooks. Just 2 days ago, the Energy Information Administration pegged the average current retail price for a gallon of gas at \$1.54. That is the highest level in a decade for this time of the year.

Unfortunately, this is not the end of it. Prices are expected to soar beyond this height in the months ahead. In fact, the Energy Information Administration is projecting an average price of more than \$1.80 a gallon of gas by Memorial Day, the start of the summer driving season.

That is, in and of itself, according to experts on oil pricing to whom I have spoken, an optimistic assessment. It is predicated on the promises of several OPEC nations that they will raise their production of oil after their March 27

meeting and thus lower the price of crude oil.

There are very reputable analysts of oil markets who are saying the average per gallon price of gasoline will go to \$2 and in some places as high as \$2.50 a gallon this summer. Ouch. That is not only unprecedented but will have a disastrous effect not only on individual businesses and consumers, particularly those of more modest average means, but it will, I am afraid, have a disastrous effect on our economy, setting off a vicious cycle of prolonged oil price increases, an increase in inflation rates, corresponding hikes in interest rates, and a stall in the historic run of economic growth we have had over the last several years.

Another consequence of oil price increases, as we unsettlingly saw yesterday, could be significant declines in the stock markets. I understand the decline yesterday was attributed not just to oil price increases but also to the report from Procter & Gamble that they would be reporting lower quarterly profits than were expected. But oil price increases are part of it.

Not surprisingly, yesterday crude oil trading on the New York Mercantile Exchange rose \$1.95 to \$34.13 a barrel, which is the highest level increase since November 1990—the highest level increase in a decade.

I trust that my colleagues are hearing from their constituents, both individual and business, as I am, with complaints ever more vociferous about the strain this price spike in gasoline is putting on their family and business budgets. As these energy and transportation costs continue to climb, the cries for help will also increase.

The squeeze is now being felt across the country, but it constitutes for us in the Northeast the second chapter of this current sad story of energy pricing since, as I know you know, Mr. President, the State of Connecticut and the entire Northeast was particularly hard hit by a prolonged price shock in home heating oil, which more than doubled in a space of months the amount people in our region of the country were paying. So this jump now in the price of gasoline represents what might be called a "double energy pricing whack."

Last week, on Thursday, several Members of Congress in both parties were invited to the White House for a meeting of the President, Secretary Richardson, Secretary Summers, and others in the administration to discuss these matters. It was a spirited discussion and one that represented a very good exchange.

I say to my neighbors and constituents in the Northeast that the most encouraging part of the discussion to me was the receptivity of the administration to an idea that my colleague from Connecticut, Senator DODD, and I put forward to create a regional home heating oil reserve—not crude oil as in the Strategic Petroleum Reserve we have now but home heating oil which

could be used in cases as the one we just experienced in the Northeast when there was what I consider to be an artificial rise in price based on the OPEC cartel limiting supply in what is, after all, a critically necessary commodity—fuel.

It would allow this reserve to immediately put out at times such as this in the future an amount of home heating oil, distillate product—it could go for diesel fuel as well, where price increases have so hurt truckers—to raise supplies so that the price could decline to a more balanced point.

Work goes on and discussion goes on. This idea could be a model in energy shortages in other regions. Some regions dependent on propane, for instance, might create similar reserves that could be used to effect when artificial prices create dramatically increasing prices.

I look forward to continuing those discussions with the administration. At a minimum, if we can do something between now and next winter, it will give people and businesses in the Northeast some comfort—I apologize for the metaphor—but a kind of security blanket, if you will, so that next year, if OPEC again reduces supply, they will have the home heating oil at reasonable prices to heat their homes and businesses.

Let me turn now to the gasoline price increase which is now going across the country and has very significant ramifications for our economy overall.

My apologies to Ernest Hemingway. I ask, For whom does the gas pump toll today? I say the answer is, It tolls for us—not just that we are paying it, but it should remind us once again of the debilitating dangers of our dependence on foreign oil, reminding us that our consumers and our economic security are being held hostage by the decisions of the OPEC producers as they are in this case following their own interests, but it is not in our interest.

No matter how great a country we are—the strongest country in the world, the most successful economy with the greatest standard of living—we have put ourselves in a position where a small group of nations, because they control this commodity—oil—that is so vital to us, can hold us hostage.

So the President has to send the Secretary of Energy and others, basically, pleading with these oil-producing countries that are supposed to be our friends and allies to get reasonable and to increase the supply so that they fill at least the two-million-barrel-per-day gap between supply and demand on world oil prices.

I hope as we face this crisis, though, we will take steps to declare—as we have been saying now for two decades, but to do it hopefully with some meaning, greater meaning—energy independence, and to do so by tapping in more vigorously to the supplies of energy over which we have some control,

such as natural gas and oil, where that is possible within our own domestic control.

Mr. President, I think we have to more aggressively try to convert and develop supplies of energy in our control. We have to more aggressively support conservative efforts and development of renewable, cleaner sources of energy. We have to be prepared to invest and continue to support even more aggressively some of the pioneering, pathbreaking work being done in the automobile industry to develop high-fuel-efficiency vehicles.

Very exciting work is being done, and we can help with further support in the development of fuel cells as a renewable clean source of energy. The truth is, no matter how strong, innovative, entrepreneurial, and how great our increases in productivity are in this country, until we invest more into the energy that drives our economy, we are going to be subject to being effectively brought to our knees and having our markets and our bank accounts follow down in that direction.

Another item discussed at the meeting with President Clinton and Secretary Richardson last week, advanced by my colleague and friend from New York, Senator SCHUMER, Senator COLLINS of Maine, and others, was, in this crisis, to be prepared to either swap or draw down the Strategic Petroleum Reserve, in which there is now approximately 580 million barrels of oil owned by the taxpayers of the United States, and put some of that at this critical moment into our economy as a way to fill the gap between supply and demand, and, frankly, as a way to let our friends at OPEC know that, though our resources are limited, they are not meager and that we are prepared to contend with their artificial inflation of oil prices.

I report these developments to my colleagues and say I believe that the President, at least, is keeping the option of using oil from the Strategic Petroleum Reserve on the table. No commitments were made, no decision was made either about that or a final decision made about the strategic heating oil reserve for our region that I discussed earlier. I appreciated the discussion and I appreciated the active and, obviously, concerned interest that was expressed by the President at the meeting last week.

I look forward to continuing those discussions. I hope we can do it in a spirit of reason and balance and not in a spirit of panic because our economy has been stalled and our markets have been essentially attacked and have fallen as a result of this shortage in oil supply, based on the actions of an oil cartel, OPEC, which hurts the United States because of our continuing dependence on foreign oil.

I yield the floor.

THE PRESIDING OFFICER. The distinguished Senator from Georgia is recognized.

(The remarks of Mr. CLELAND, Ms. MIKULSKI, and Mr. AKAKA pertaining to

the introduction of S. 2218 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

Mr. SESSIONS. I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. The Senate is in morning business with Senators permitted to speak for up to 10 minutes.

The Senator may proceed.

NOMINATION OF RICHARD A. PAEZ

Mr. SESSIONS. Mr. President, I believe I have the responsibility today to write the majority leader to ask that we not proceed to vote on the Paez nomination, and to ask that additional hearings be held on that nomination to determine whether or not he correctly and properly handled the guilty plea and sentencing of John Huang in Los Angeles, CA, that fell before his jurisdiction in the Los Angeles district court.

This is a matter of importance. It is something we have not gotten to the bottom of. It is something my staff has uncovered as we have come up to this final vote. I believe it is important.

Judge Paez is a Federal judge today. He has been controversial because of his activist opinions and background and has been held up longer than any other judge now pending before the Congress. We have only had a few who have had substantial delays, probably fewer than two or three. There are two now who have been delayed. He is still the longest. I do not lightly ask that he be delayed again, but he is a sitting Federal judge; he has a lifetime appointment. It is not as if his law practice is being disrupted and he is being left in limbo about his future. He can continue to work until we get to the bottom of this.

The President seeks to have him confirmed to the Ninth Circuit Court of Appeals, which is the highest appellate court in the United States except for the Supreme Court. It is a high and important position. We ought to make sure we know what really happened out there when John Huang was sentenced.

Basically, that is what happened. The John Huang case was part of the investigation of campaign finance abuses by the Clinton-Gore team in the 1996 election. Mr. Huang is the one who raised \$1.6 million, a lot of it from foreign sources, the Riadys in China—those kinds of things. Ultimately, the Democratic National Committee had to refund \$1.6 million that they believed

they had received wrongfully and illegally. Eventually, the Clinton Department of Justice proceeded with this investigation.

The Judiciary Committee chairman, ORRIN HATCH, and the chairman of the Governmental Affairs Committee, FRED THOMPSON from Tennessee, repeatedly urged the U.S. Attorney General not to investigate that case herself because she held her office at the pleasure of the President of the United States. He could remove her at any time. Even if she did a fair and good job with it, people would have reason to question it. They urged her repeatedly—and I have, others have, and a large number of Senators have—to turn this over to an independent counsel. She did on many other investigations. But this one they would not let go of; they held onto it. The President's own appointees held on to this campaign finance investigation.

I spent 15 years as a Federal prosecutor, 12 as a U.S. attorney, 2½ as an assistant U.S. attorney. I have personally tried hundreds of cases. I have personally participated in, supervised, and directly handled plea bargains. I know something about the sentencing guidelines, which are mandatory Federal sentencing rules saying how much time one should serve.

What happened is that the case did not go before a Federal grand jury for indictment. The prosecutor, a Department of Justice employee, and Mr. Huang and his attorneys met and discussed the case. They reached a plea agreement. That plea agreement called for him to plead guilty to illegal contributions to the mayor's race in Los Angeles for \$7,500—maybe another little plea, but I think it was just that \$7,500—and he would be given immunity for the \$1.6 million or any illegal contributions he may have received for the Clinton-Gore campaign that had to be refunded. He would be given immunity for that. He was supposed to cooperate and testify. That was going to justify the sentence.

After they reached this agreement and Mr. Huang agreed to waive his constitutional rights to be indicted by a grand jury, he said: Don't take me before a grand jury. You make a charge, Mr. Prosecutor, called an information, instead of an indictment, and I will plead guilty to that. So they worked out an agreement. He agreed to plead guilty to that.

Sometimes that is done. It is not in itself wrong, but it is a matter that increases the possibility of an abusive relationship between the prosecutor and the defendant, I must admit.

They say that cases are randomly assigned in Los Angeles. There are 34 judges in Los Angeles. Judge Paez was one of those judges. He got the Huang case. Curiously, he also got the Maria Hsia case. They had a case against Maria Hsia in Los Angeles because she was involved in this, too, and they eventually tried her a few days ago and convicted her in Washington on

charges of tax evasion, I believe, arising out of this same matter. She was tried and convicted here on separate charges.

Oddly, this judge, who was a nominee of the President of the United States, somehow got these cases and presided over them. I think there is a real question whether he should have taken the cases.

There is no doubt in my mind, as a professional prosecutor who has been through these cases for many years, that the prosecutor's duty is to make sure the defendant is given credit for cooperating; that is, spilling the beans, admitting he did wrong, asking for mercy in those cases, agreeing to testify about what he knows. When you do that, you are entitled to get less than the sentencing guidelines would cause you to get.

But the critical thing is, Mr. Huang knew high officials in this administration and knew the President. I believe he spent the night in the White House. He has certainly been there for meetings at times. So this was a man who had been involved in not just some inadvertent event but a very large effort to solicit foreign money, some of it connected to the country of China, which is a competitor of the United States. It was a big deal case.

Knowing that the person who had nominated him at that very moment could have been embarrassed or maybe even found to be guilty of wrongdoing if Mr. Huang spilled all the beans, I am not sure he should have taken the case at all out of propriety, but he took it, assuming he did the right thing.

The case then came up for sentencing. Some of the people who defend Judge Paez have told me repeatedly in recent days that they don't believe it was Judge Paez's fault so much as it was the fault of the Department of Justice, that they did not tell him all the truth; they acted improperly; if they had told him all the facts, he may have rendered a more serious sentence than he did under these circumstances.

I have had my staff review the plea agreement. Much of it is not available to us. We did not get the pre-sentence report, which I would love to see. We did not get to see some other matters involving the extent of the cooperation of Mr. Huang. That was not available to us. But we do have a transcript of the guilty plea, what went down and what facts were produced and what facts the judge did know and the judge was told.

It appears to me the judge was not told all the facts by the Department of Justice. That is a very serious thing, if it occurred. It is a failure on their part to fulfill the high ideals of justice in this country.

If we look on the Supreme Court building, right across the street from the Capitol, the words written in big letters on the front of that building are these: Equal justice under law. When charges were brought against President Nixon, the impeachment charges voted