

We have found ourselves, rightly or wrongly—I think probably it is not right—in a position of depending on foreign imports for almost 60 percent of our oil supply. Much of that oil supply has come from the Middle East, and continues to come from the Middle East, and we find that less secure than in the past.

Certainly that dependency on imported oil changes the decisions we can make, and all these factors go into dealing with that. The one that probably deals with it most directly is the opportunity to increase domestic production, which has been one of the controversial areas on the energy bill.

In fact, the energy bill was taken out of the committee. I happen to be on the Energy Committee. We did not have the opportunity to put together the bill. So the bill that has come to the Senate is basically very oriented toward conservation, toward renewables, toward most everything except an increase in domestic production. Now we have come to a point where we need to take a look at that. It is very clear how much more important that is right now than it was before. We see energy prices going up. We see much more uncertainty in the Middle East.

There are some good things as well. We see some new suppliers. We see more imports coming from Russia, and hopefully some more stability there. At the same time we now see instability in Venezuela. We have seen instability recently in Iraq. So it becomes much more clear that over time we really have to deal with this question of becoming less reliant on imported energy. So that affects not only our ability to carry on what we are committed to do in the war on terrorism—obviously that is one that requires a great deal of energy—but I think it is also very important and vital to our efforts to regenerate and strengthen the economy. The economy cannot function without energy.

I hope we can move more quickly in resolving the issues before Congress. The tax package has been completed by the Finance Committee. There are 150 amendments pending.

Hopefully, we do not have to struggle through all of those. Obviously, the question of ANWR is out there. We need to deal with that. That could be perceived differently now than in the past because of continued pressure on the notion of imported oil.

We have a great deal of work to develop more clean coal technology, as coal is one of the most plentiful domestic resources we have. We have an opportunity to become more efficient and effective in generating energy and electric energy. We dealt with that a year ago, particularly in California.

Wyoming is the largest producer of coal. One of the real opportunities in coal is producing the low-sulfur clean coal, and transporting that energy to other places. We can do more.

We have an opportunity to continue making nuclear energy important. For

anyone interested in clean air, which we all are, nothing is cleaner in producing electricity than nuclear power. We have not figured out a way to deal with the waste. There is controversy on that. There are things we can do. We can find storage. Looking at what is done in Europe, they recycle from time to time. We can work those areas.

There is much that needs to be done; there is much that people need to agree to do to move forward on those goals. We find ourselves tied up over some of the elements. I hope we come together and decide what it is we need to do and get on with it.

I am hopeful we can move quickly, certainly to do the best we can. The House has already passed a bill and is ready to go to conference. We can reconcile the differences. The administration is anxious to have an energy policy, to have an energy bill passed, and is working with Congress to do something to make it work while making our economy and environment stronger. We have a lot of energy in our State.

The idea that if you produce and have access to public lands for multiple use, it suddenly ruins the land, is not the case. We have seen over the years we can have multiple use. We can have production. We can have gas production. We can have oil production. We can continue to have a decent environment.

We completed a study on a portion of land under consideration for wilderness in Wyoming called Jack Morrow Hills. One study showed there were operations there some time ago, and the natural evolution had changed it back to a natural place. We have to be careful. We have to use environmentally sound procedures and techniques. We can do that. We are committed to do that. I am hopeful we can move forward.

We have had support from veterans, from organized labor, from women's groups, from the Hispanic and Jewish community, from Native Alaskans. Almost everyone has been here. I had the pleasure of working with veterans who were here promoting energy policy. I look forward to that.

As we return to energy at 11 a.m., I hope our goal is to complete that as soon as possible and move on to other matters.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MOVING ON THE ENERGY BILL

Mr. MURKOWSKI. Mr. President, I want to take a moment to discuss where we are on the energy bill and

how I see us moving forward. As I think the record will note, prior to the recess I filed an amendment on sanctions against Iraq. The specific justification for that was my belief that, at a time when we are seeing the situation in the Mideast erupt, we find ourselves in a position where we are importing over 800,000 barrels a day from Iraq, a country where we are enforcing a no-fly zone, putting the lives of our men and women at risk. At the same time as we are importing this oil, we put it in our aircraft and use it to enforce the no-fly zone. As a consequence, in Iraq, Saddam Hussein generates a cashflow that allows him to keep his Republican Guard well paid and obviously contributes to Iraq's capability of developing weapons of mass destruction.

The purpose of the amendment is to initiate a sanction against Iraq until such time as we can satisfy ourselves that the U.N. inspectors have evaluated whether, indeed, Saddam is using his oil money to develop weapons of mass destruction. I may bring that up today. I have previously received from the majority leader a commitment that he would allow an up-or-down vote on that particular subject at a point in time. I think this may be an opportune time.

The rationale for that is obvious. We find ourselves in a position now where Iraq has indicated it probably will initiate a curtailment of oil exports from that country for a 30-day period. We can only ponder the results of that, as to what it will mean to the consumers in the United States as we see ourselves continuing to be dependent on foreign sources of oil.

I want to take a moment here to discuss where we are in the energy bill and my commitment to see us move forward on it. As you know, we have had a number of successful amendments. I think we have developed a stronger bill. I think it is appropriate to give a rundown on the current situation in the Mideast before I discuss that, and how that has increased the importance of moving an energy bill off the floor.

There is virtually no way to explain the situation in the Mideast. I will not go into the details, other than to highlight the effects it will have on the United States.

While we were on our Easter recess, clearly the tinderbox in the Mideast exploded. In 2 weeks, we have seen 5 suicide bombers; we have seen some 29 Israelis killed, 100 wounded. The same is true on the other side, the Palestinians. Israelis rolled into Yasser Arafat's headquarters in the Palestine settlement when Prime Minister Sharon declared, "Israel is at war."

What did that do to the price of oil? It jumped, first \$3 a barrel on Monday, March 25, closed at \$24.53; trading at \$28, and it is going up over \$30. The Iraqis are calling on the Arab States to use oil as a weapon—oil as a weapon,

Mr. President. Quoting from a statement issued by the ruling Iraqi Baath Party:

If the oil weapon is not used in the battle to defend our nations and safeguard our lives and dignity against American and Zionist aggression, it is meaningless.

Now Saddam announces a 30-day embargo against U.S. consumption—basically a 30-day reduction of his output.

New reports emerge that Saddam Hussein had planned to ram a suicide tanker into a U.S. warship in the Persian Gulf. That came out of a Christian Science Monitor story, which I ask unanimous consent to have printed in the RECORD.

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

[From the Christian Science Monitor]

EX-SMUGGLER DESCRIBES IRAQI PLOT TO BLOW UP U.S. WARSHIP
(By Scott Peterson)

Iraq planned clandestine attacks against American warships in the Persian Gulf in early 2001, according to an operative of Iranian nationality who says he was given the assignment by ranking members of Saddam Hussein's inner circle.

The alleged plan involved loading at least one trade ship with half a ton of explosives, and sailing under an Iranian flag to disguise Iraq's role, using a crew of suicide bombers to blow up a U.S. ship in the Gulf.

The operative, who says he smuggled weapons for Iraq through Iran for Al Qaeda during the late 1990s, says he was told that \$16 million had already been set aside for the assignment—the first of “nine new operations” he says the Iraqis wanted him to carry out, which were to include missions in Kuwait.

The first plot, remarkably similar to the attack on the USS *Cole* on Oct. 12, 2000, was never carried out. The status of the other nine operations remains unclear.

The smuggler, Mohamed Mansour Shahab, now in the custody of Kurdish opponents of Mr. Hussein in northern Iraq, says he was first told of the role he was to play in the plan in February 2000—one month after an apparently unrelated attempt in Yemen to target a U.S. destroyer, the USS *The Sullivans*, failed when the bombers' boat, overloaded with explosives, sank. Suicide bombers later succeeded in striking the USS *Cole* in Yemen, leaving 17 U.S. sailors dead and a gaping 40-by-40 foot hole in the side of the warship.

TERROR'S FOOTPRINTS

If this Iranian smuggler is telling the truth, it would represent the first information in nearly a decade directly linking Baghdad to terrorist plans. No evidence has surfaced to date that Iraq was involved in the Sept. 11 attacks or the bombing of the *Cole*. But President George W. Bush has declared Iraq part of an “axis of evil,” and makes no secret of his determination to end the rule of Saddam Hussein as part of his “war on terrorism.”

The last publicly known terrorism involvement by Baghdad was a failed assassination plot against Bush's father, former President George H. W. Bush, during a visit to Kuwait in 1993. The elder Bush orchestrated the 1991 Gulf War against Iraq.

“The Iraqis may have been waging war against the U.S. for 10 years without us even knowing about it,” says Magnus Ranstorp, at the Center for the Study of Terrorism and Political Violence at St. Andrews University in Scotland. “Iraq may have fought, using terrorism as the ultimate fifth column, to

counter U.S. sanctions and bombing. Plausible deniability is something Iraq . . . would want to ensure, putting layer upon layer to hide their role.”

Part of the justification for any future U.S. strike against Iraq may be the kind of information provided by the young-faced, nervous Iranian smuggler, now held in the U.S.-protected Kurdish “safe haven” of northern Iraq.

Mr. Shahab spoke last weekend in an intelligence complex run by the Patriotic Union of Kurdistan (PUK), one of two rival armed Kurdish factions that control northern Iraq. He did not appear coerced to speak, and bore no physical signs that he had been mistreated since his arrest on May 16, 2000.

Still, shaking nervously and swallowing repeatedly, he at first refused to answer questions, saying that he was concerned about his family's safety in Iran. Two days later—after learning that part of his smuggling history and role in several killings had already been made public in the New Yorker magazine—he agreed to describe information that he had previously withheld, about Iraq's plan to target U.S. warships.

“If this information is true, it would be in the interest of the U.S., and of all the world, for the U.S. to be here to find out,” says a senior Kurdish security officer involved in the case. Kurdish investigators were initially skeptical of some parts of Shahab's story. But the investigators say they later independently confirmed precise descriptions of the senior Iraqi officials Shahab says he met, by cross-examining a veteran Iraqi intelligence officer in their custody, and checking other sources.

Wearing a pale-green military jacket, dark-blue sweat pants and worn plastic sandals, Shahab softly recounts how he smuggled arms and explosives for Al Qaeda and the Iraqis. He at times flashes a boyish smile—the same disarming grin he uses in images on a roll of film he was carrying when arrested. Shahab also claims to be an assassin. The photos—shown to the Monitor—show Shahab killing an unidentified man with a knife. He grins at the camera as he holds up the victim's severed ear.

During a two-and-a-half-hour interview, Shahab describes the origin of the plot to blow up U.S. warships, while his hands work nervously. He received an urgent phone call early in 2000, from a longtime Afghan contact named Othman, who told him to go to a meeting in Iraq. In February 2000, Shahab says he was taken to the village of Ouija, the birthplace of Saddam Hussein near Hussein's clan base at Tikrit, in north central Iraq.

At the meeting, he says, were two influential Iraqis, fellow clansmen of Saddam Hussein: Ali Hassan al-Majid—Mr. Hussein's powerful cousin and former defense minister—and Luai Khairallah, a cousin and friend of Hussein's notoriously brutal son Uday. Mr. al-Majid is known among Iraqi Kurds as “Chemical Ali,” for his key role in the genocidal gassing and destruction of villages in northern Iraq that killed more than 100,000 Kurds in 1987 and 1988.

The Iraqis said they considered Shahab to be Arab, and not Persian, and could trust him because he was from Ahvaz, a river city in southwest Iran rich with smugglers and close to the Persian Gulf, Iraq, and Kuwait. It is known as “Arabistan” because of the number of Arabs living there.

NINE MISSIONS

Al-Majid and Mr. Khairallah spoke of the nine operations: We've allocated \$16 million already for you,” Shahab remembers them telling him. “We start with the first one: We need you to buy boats, pack them with 500 kilograms of explosives each, and explode U.S. ships in Kuwait and the Gulf.”

The plan was “long term,” Shahab says, and meant to be carried out a year or so later, in early 2001, after he had carried out another mission to take refrigerator motors to the Taliban. Each motor had a container attached holding an apparently important liquid unknown to Shahab. He says he doesn't know if all nine operations mentioned were similar to the boat plan, or completely different. Some were to take place in Kuwait.

The attack against a U.S. vessel, Shahab recounts al-Majid and Khairallah explaining, was to be “a kind of revenge because [the Americans] were killing Iraqis, and women and children were dying “because of stringent UN sanctions, which the U.S. backed most strongly. “They said: ‘This is the Arab Gulf, not the American Gulf,’” Shahab recalls, referring to the large U.S. naval presence in the area.

The Iraqis knew that Shahab, with his legitimate Iranian passport and wealth of smuggler contacts, would have little trouble purchasing the common 400-ton wooden trading boats. He would have raised few eyebrows sailing under an Iranian flag—the only ships in the area, since UN sanctions prohibit such Iraqi trade.

Shahab was to rent or buy a date farm along the water at Qasba, on the marshy Shatt al-Arab waterway that narrowly divides Iraq and Iran, just a few hundred yards from the Iraqi port city of Fao. Using a powerful small smuggling boat, he says he would have been able to reach Kuwaiti waters from Qasba in just 10 minutes.

Iraqi agents were to provide the explosives and suicides squad; Shahab was to handle the boats and the regular crew. “The group that worked with me would sail the ship, and not know about the explosives,” Shahab says. “When we crossed out of Iranian waters, we were to kill the crew, hand over the ship to the suicide bombers, and then leave by a smuggler's way.”

The job, Shahab said, “was easy for me, I could start at any time.” Shahab said the Iraqis told him they “had a lot of suicide bombers in Baghdad” ready to take part in such an operation.

But the plans were never finalized for Shahab, and after delivering the refrigerator motors to the Taliban, he was arrested in northern Iraq in May 2000, with his roll of film, as he tried to avoid Iranian military exercises going on along the border to the south. Though carrying a false Kurdish identity card, his accent gave him away at the last PUK checkpoint.

Iraqi experts say that such a plot is plausible, since Saddam Hussein's multiple intelligence services are sophisticated and smart.

“Anything is possible,” says Sean Boyne, an Ireland-based Iraq specialist, who writes regularly for Jane's Intelligence Review in London. “Certainly Saddam has gone to great trouble to shoot down [U.S. and British] aircraft” patrolling no-fly zones in northern and south Iraq. Mr. Boyne says. “He has invested heavily in his antiaircraft system. He is eager to have a crack at the Americans.”

That impulse may also help explain the presence of a training camp at Salman Pak, a former biological-weapons facility south of Baghdad. It includes a mock-up Boeing 707 fuselage, which Western intelligence agencies believe has been used for several years to train Islamic militants from across the region in the art of hijacking. A senior Iraqi officer who defected told The New York Times last November that the regime was increasingly getting into the terrorism business. “We were training these people to attack installations important to the United States,” an unnamed lieutenant general said. “The Gulf War never ended for Saddam

Hussein. He is at war with the United States. We were repeatedly told this."

Still, the political situation Saddam Hussein finds himself in today—in light of the example of decisive U.S. military action in Afghanistan—may not be as conducive to a strike at the U.S. as it was when Shahab says he first heard of the plan to blow up a U.S. warship. In recent months, Boyne notes, Iraq has engaged in a region-wide charm offensive to portray itself as a victim, and to build Arab and European support against any U.S. attack. Baghdad is even pursuing warmer ties with Kuwait (at the Arab League summit last week) and with Iran, in an attempt to gain mileage from Iran's anger at being listed as part of Washington's "axis of evil."

While the Bush administration focuses on Iraq's apparent pursuit of weapons of mass destruction—in the absence of UN weapons inspectors, who were kicked out in 1998—clues to Iraq's true role may lie in the credibility of the 29-year-old smuggler from Ahvaz.

Why is he talking now? "Afghanistan is finished, so now I feel free to speak," says Shahab, who was given the name Mohamed Jawad by accomplices in Afghanistan. Asked if he fears the wrath of senior members of the regime in Baghdad, who still hold power, Shahab replies: "I lost everything. For many years I worked with assassinations and killing—it doesn't make a difference to me."

Mr. MURKOWSKI. Mr. President, yesterday major oil producers in Venezuela went on strike. Between Venezuela and Iraq, nearly 30 percent of our oil imports are at risk. And that is nearly 12 million barrels today.

We also learned that Saddam Hussein has indicated a payment to the families of the Palestinian suicide bombers of roughly \$25,000. Previously it was around \$10,000. That is a terrible incentive for terrorism. One has to wonder where he gets the cash. But you don't have to wonder very long because of the \$4-plus billion that the United States paid Saddam Hussein last year for oil.

The Senate needs to remember that Saddam is much more than just a member of the axis of evil. He is an energy partner of the United States.

We now understand that Iraq, Libya, and Iran have called for an OPEC oil embargo—an event that could cripple the world economy.

With each passing hour, the Mideast grows more unstable, and the future grows more uncertain. With each passing day, the United States grows more dependent on foreign sources of energy.

What does tomorrow hold? More chaos and more bloodshed. The United States has a role and an obligation to help lead the region to peace. I applaud the President for sending Secretary Powell to personally supervise these efforts. But now more than ever we should turn our attention to here at home. We need to look at the realities of how we are going to meet our energy needs with or without the Mideast.

Given the choice, will we choose to keep us dependent on foreign oil or will we choose solutions found here at home to lessen our dependence on imported oil, solutions within our borders free from the chaos and uncertainty in the Mideast?

I go back to 1995. If the Senate passed an amendment in the omnibus bill that would have allowed the opening of ANWR, where would we be today? We would be in production. We would be generating at least a million barrels more from domestic sources, eliminating at least a million barrels from imports. Unfortunately, our former President vetoed that bill.

The energy bill before us is one on which we spent nearly 3 weeks. There is some criticism for the delay, but I remind my colleagues that we are taking on an extremely difficult and divisive issue and dealing with it on the floor of the Senate as opposed to the committee process. Since the debate started on this issue, we have disposed of 49 amendments—21 offered by Republicans and 28 by Democrats. Working with my good friend, Senator BINGAMAN, I think we have moved in a responsible manner.

That total, I might add, does not include the two amendments dealing with judicial nominees, or several amendments that have been dealt with off the floor. We have dealt with extremely difficult amendments, including CAFE, and specifically whether Congress should decide on new vehicle standards or leave that decision to experts; whether Congress should impose a renewable portfolio standard on some electric producers or leave the decision on appropriate standards to the States; whether the Federal Government should continue the liability protection on nuclear powerplants—that is the Price-Anderson amendment—the issue of reliability, and how best to ensure reliability on our electricity grid; ethanol; and whether to create a reasonable fuel requirement.

But there are still significant issues left to decide. We need to close out the issues dealing with electricity. We need to reach some agreement on the climate change provision in the bill. Of course, we must address the tax provisions for renewable conservation, alternative fuel efficiency and production. We must decide how best to increase our domestic production of energy sources since there are no real production provisions in the Daschle substitute.

The ACTING PRESIDENT pro tempore. The Senator has used 10 minutes.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that morning business be extended until the hour of 11:30 today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent to speak for another 5 minutes to finish my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MOVING ON THE ENERGY BILL

Mr. MURKOWSKI. Mr. President, although we have some significant issues left to decide, we need to close out electricity, climate change, tax provisions, and increasing our domestic production.

As I stated in my opening statement, because of the manner in which this legislation has come before the Senate, we have been forced to consider the measure without the benefit of the committee deliberation and action that ordinarily would accompany a bill of this nature. We have had difficult and divisive issues that should and could have been worked out in committee. It is debated here in this Chamber. It is not a question of laying blame on one or the other. The point is, we have to move on from where we are. This bill can only be resolved by the amendment process.

Recently, we have seen statements that the Republicans were stalling this bill because we had not offered an ANWR amendment. It is my intention to offer an ANWR amendment this week. I regret that some on the other side believe there have been delays. But I believe the Feinstein amendment is pending today. Of course, I anticipate that we will proceed and there will be an objection to moving off of it for any other reason. I have always believed the best way to move important legislation is to work through the less controversial issues first and then address the more difficult.

I remind my colleagues that it was the majority leader, not the Senator from Alaska, who decided to spend the entire first day of the debate on various amendment provisions. We saw those amendments which would not necessarily have been resolved with any significant advancing of the process. But, nevertheless, I will not belabor the manner in which this bill has moved forward. We have seen an extremely difficult process on both sides of the aisle in trying to balance a comprehensive and bipartisan bill that balances production, efficiencies, alternative fuels, and conservation.

The problems associated again with the movement of the bill probably need a little identification as we work through the process.

There were no committee reports or committee-approved texts for anyone to work from. The substitute that was brought about by the majority leader was kind of a moving target, and continued to be modified even after introduction. Even with that, we still deal with moving targets.

The renewable portfolio amendment offered by the manager on the other side changed so many times before introduction that the majority whip didn't really know—and I didn't know—whether we were talking about a standard of 8 or 10 percent or whatever. That does not form a basis for any kind of debate, and seriously complicates the ability of Members to draft amendments or know what they are voting on.