

has yet to appear. The United States must lead a diplomatic process to end the endless cycle of violence and get to the end game—an independent Palestinian state and security for Israel. There must be action on all fronts, or what little hope is left will vanish.

I wish I had a clear answer, but thought as a Senator from Minnesota I should at least speak out in the Senate. I am absolutely convinced that there is no hope in the present course, that we have to figure out how to get from where we are back on a political track. As tiring and tiresome as it might sound to some, we have to continue to call for political negotiation. What is the alternative? There is no alternative. There is no alternative.

#### COMMENDING NATIONAL PUBLIC RADIO AND BOISE STATE RADIO

Mr. CRAPO. Mr. President, with great pride, I commend National Public Radio and its Idaho affiliate, Boise State Radio, for their creative application of wind power technology.

With unprecedented innovation, in what is believed to be the first public radio transmitter site to rely on the power of wind, Boise State Radio and National Public Radio have erected three state-of-the-art wind turbines in order to provide broadcast service to previously unreachable areas in southern Idaho and northeastern Nevada.

In an age when just 3 percent of electricity in today's national mix comes from renewable sources, Boise State Radio and National Public Radio have committed to expanding their services while advancing the use of clean, efficient power sources.

The American Wind Energy Association estimates that Idaho has the potential to generate over 8,000 megawatts of wind power, placing our State in a unique position to contribute significantly to domestic energy production.

At the same time, it is clear that the overall economy is changing and that rural America is shouldering a great deal of this weight. The fact is, many of the jobs that have been lost over the last decade might never return. While continuing to support our traditional industries, we must also be creative in capitalizing on new opportunities for rural communities.

By expanding communications and providing a new facet to the rural economic infrastructure, the generation of wind power serves not only to maintain our Nation's available resources, but also to advance economic opportunity in rural America.

Recognizing Idaho's wind power potential and its benefits to our economies, National Public Radio and Boise State Radio are emerging as leaders in the advancement of environmentally efficient energy technology. This further serves as evidence that opportunities exist right at home to increase energy production that would boost our electricity supply and reduce depend-

ence on foreign fuels, such as oil, which we import primarily from the Middle East.

We need to make the best use of our domestic renewable energy resources to ensure a secure, reliable, and clean energy supply while improving the economies of rural Idaho and rural America.

National Public Radio and Boise State Radio: On behalf of Idahoans and millions of Americans, I salute you.

#### STOCK OPTIONS

Mr. WYDEN. Mr. President, I rise to outline briefly an approach with respect to the stock option issue that I am hopeful could bring together Senators of varying philosophies in both political parties.

It seems as if every morning Americans wake up to yet another headline about the collapse of a major U.S. corporation. These failures have devastated the savings of millions of hard-working Americans, savings they were depending on for their retirement or to pay for their kids' college. When the smoke clears and the fallout settles, the issue of stock options invariably comes to the fore.

I serve as chair of the Science and Technology Subcommittee, and I have spent a considerable amount of time analyzing the stock option issue. There is no question in my mind that some companies have abused stock options, using them as a vehicle for funneling large amounts of wealth to top executives. What is more, options have been granted in ways that fail to serve their intended purpose of aligning the interests of management with the long-term interests of the company.

Instead, a number of these massive option grants have created perverse incentives, enabling top executives to get extraordinarily rich by pumping up a company's short-term share price. The tactics they use can jeopardize the company's long-term financial health, but by the time the long-term impact is felt, the executives invariably have cashed out and left the firm. When an executive develops a big personal stake in options, it can lead to a big conflict of interest. Too often the company's long-term interests take a backseat to that executive's desire for personal reasons to boost the short-term share price.

When the betting is between masaging the numbers to "manage" quarterly profit projections and improving the quality of the business through such initiatives as long-term research and development investments, short-term profits and the value of executive stock options can be the odds-on favorite.

The abuse of stock options in the executive suite should not be taken as an indictment of all stock options that are offered.

I remain convinced that stock option plans, as long as they are broad based and have significant shareholder in-

vestment protection, can play a very important role in our economy. They can enable corporations to attract and retain good workers and top talent. They can motivate and increase productivity by giving employees a strong personal interest in the long-term success of the corporation.

The program I would like to outline this afternoon is based on the premise that it is time for the Senate to act to stop abuses at the top, while not gutting options that are so vital to rank and file workers. This can best be done by restoring the link between the long-term interests of the company and those of senior management and giving shareholders knowledge about control over the stock options of corporate leaders.

So I hope we will be looking to discuss with Senators of both parties the differing philosophies on the stock option issue, and that we can come together as a Senate around reform based on three issues.

First, the rule should increase shareholder influence and oversight with respect to grants of stock options to corporate officers and directors by requiring shareholder approval. This would help prevent the all-too-common "I'll scratch your back if you scratch mine" culture of clubby directors and top executives voting each other huge option packages with little or no shareholder input.

Second, new rules should seek to ensure that stock options provide incentives for corporate officers and directors who act in the best long-term interests of their corporation, not incentives to stimulate short-term runups in stock prices. I believe the way to do this is to establish substantial vesting periods for options and holding periods for stock shares so that top executives do not have the ability to quickly cash out and jump ship.

Specifically, I believe there needs to be a multitiered holding period. Directors and officers should be allowed to sell a modest proportion of shares, for example, to permit a degree of diversification; but for the large majority, they should have to wait a substantial period of time and they should be required to hold on to a portion of their stock until at least 6 months after leaving the company.

Finally, a third requirement in the proposal I outline today would be new rules improving the transparency of stock option grants to directors and officers. It is critical that better and more frequent information be provided to shareholders and investors. They deserve more information than what is buried in the typical footnote. Stock option information ought to be reported quarterly, not just annually, and broken out into an easy-to-find section in each company's public SEC filings.

In concluding, there have been two paths presented in the Senate in recent months with respect to the issue of stock options. Some now think the

problem is so severe that options should be pared back across the board and that Congress should take that action. Others say that business as usual should continue, that this is a problem that has affected just a handful of companies.

The principles I have described today lay out a third path—a path that will ensure that broad-based stock options can continue to be a useful tool for deserving workers, shareholders, and the economy as a whole, while at the same time curbing abuses by those in the executive suites whose conduct is over the line.

On the Science and Technology Subcommittee, which I chair, we have heard again and again how important these stock options are. There is no question that is correct. But I think it is also correct to say that the job of cleaning up corporate corruption is not going to be complete until Congress acts to curb the abuse of stock options.

I look forward to working with my colleagues to put in place tough, new rules that will ensure that stock options remain broad based, but also address this issue of abuse that, unfortunately, has drawn options and their value into question.

#### AN UNWARRANTED BLOW TO GLOBAL FAMILY PLANNING

Mrs. FEINSTEIN. Mr. President, I rise today to express my very deep regret that the Bush administration has decided not to release the \$34 million allocated for the United Nations Fund for Population Activities, UNFPA. I would ask the White House to reconsider its decision.

At stake here is vital assistance for needy individuals throughout the developing world, living under the threat of HIV infection and deteriorating health conditions.

Indeed, it is a shame that such assistance—assistance that can save lives—is being held hostage by domestic politics, and the misconceptions of the anti-choice wing of the Republican Party.

I would remind the administration that the \$34 million was appropriated by Congress in a spirit of bipartisan consensus, after 2 months of negotiations. During these talks there was never any question whether or not to allocate the funds, but simply how much.

The White House's own budget proposal for fiscal year 2002 included \$25 million for the fund, \$3.5 million more than allocated by the Clinton administration.

Within this context, the administration's decision is all the more perplexing. It stands as painful proof that the debate over U.S. support for international family planning has been distorted all out proportion.

In particular, there remains a belief, in some quarters, that the United Nations Fund for Population Activities either condones or even assists in abortion and coercive sterilization.

This is, at best, nothing but hearsay. And if such proof does exist, why haven't we seen or heard anything substantive about it?

With respect to China, in May the State Department sent a mission to investigate such allegations, and it found no evidence at all of that the fund was involved, in any way, in abortion or coercive sterilization. A month before, a British delegation drew a similar conclusion.

For the record, I would like to quote directly from the State Department's conclusions. "We find no evidence that UNFPA has knowingly supported or participated in the management of a program of coercive abortion or involuntary sterilization in [China]."

In light of this finding, the report recommends, and I quote, "that not more than \$34 million which has already been appropriated be released to UNFPA."

I would also argue that it is precisely because of the questions raised about China's policies, that United Nations presence there becomes that much more important. The United Nations Fund for Population Activities remains the best way to do this.

Only last year, Secretary of State Colin Powell praised the United Nations Fund for Population Activities, saying that it was engaged in "critical population and assistance to developing countries."

This explains why the Department of State provided \$600,000 to the fund for sanity supplies, clean undergarments, and emergency infant delivery kits for Afghan refugees in Iran, Pakistan, Uzbekistan, and Tajikistan.

The facts speak for themselves. The United Nations Fund for Population Activities does not subsidize abortion services in any country. Its executive director, Madame Thoraya Ahmed Obaid, has said that the fund would cease its family planning program in China, if any allegations of coercive abortion or involuntary sterilization could be verified.

I would also argue that we would be wise to focus on the wider role that the United Nations Fund for Population Activities plays, most notably in the critical area of HIV prevention. And I would remind my colleagues of just a few of the troubling facts revealed at the recent AIDS conference in Barcelona.

In Botswana, for example—a country where 38 percent of the adult population is infected with HIV—20 percent of high-school-age students believe that you can tell whether a person has HIV/AIDS simply by looking at them.

In Malawi, where 15 percent of all adults are HIV positive, 64 percent of young men admit to not using a condom with their most recent sexual partner. The scourge of AIDS throughout sub-Saharan Africa is a human tragedy of terrifying proportions.

How can we turn our backs on those not yet infected, especially when the reason for doing so is based on un-

founded allegations and a misunderstanding of the term "family planning."

There are no hidden meanings; there is no secret agenda. Family planning does not condone or promote abortion. Simply put, family planning means: women able to control their reproductive destinies; couples given the information necessary to make their own choices about family size and the timing of births; health care officials reaching out to adolescents and young adults, as a means to educate them, and in turn prevent HIV infection and unwanted pregnancies.

Healthy families—the heart of any healthy society—depend upon women being able to make informed choices. The United Nations Fund for Population Activities helps women do just that—make a choice—which I hold to be a fundamental right of women everywhere, regardless of their economic circumstances.

Women here in the United States take such information for granted, and we can not forget that this is all too often unavailable to poor women in the developing world.

How to protect themselves from HIV or other sexually transmitted diseases, how to space pregnancies so that they can better manage the size of their families, and how to lower the risks of childbirth and increase their chances of delivering healthy babies—this is at the heart of the information the United Nations Fund for Population Activities provides. This strikes me as hardly immoral or illegal.

In closing, Mr. President, let me remind my colleagues that the world's population today stands at more than six billion—a figure that shows no signs of stabilizing. In fact, the United Nations estimates this number could double, to 12 billion, by the year 2050.

The brunt of this growth will impact precisely those areas least able to absorb it—namely, the developing world. Overpopulation has already caused significant problems, like malnutrition, disease, environmental degradation, and political instability.

If we in the United States bury our heads in the sand here, it will become increasingly likely that overpopulation could overwhelm such fragile societies.

Given such alarming facts, the purpose of the United Nations Fund for Population Activities—to reduce poverty, improve health and raise living standards around the world—will become only more important in the years to come. The United States, in my mind, has two options: one, either we help support international family planning efforts, in a way that is both responsible and accountable; or two, we relinquish our leadership role, and turn our backs on the developing world.

The Bush Administration seems to have taken the latter course, and I can only hope that it reconsiders its decision and will do what is right.

It should release the \$34 million allocated to the United Nations Fund for