

lift to the economy at a time of economic weakness. Now the Republican White House is going out and saying they are the ones who had the idea. They are not. Anybody who cares to research it can go back and look at the President's budget—not just the first budget he submitted, but the second budget he submitted, the follow-on budget in the spring. It is the same thing. He had virtually no tax cut last year.

The February budget had virtually no tax cut, and his April budget had virtually no tax cut. The people who were pushing for a big tax cut last year for the year 2002 were those of us on this side of the aisle, Democrats. And we were right.

As it turns out, we were also right to oppose the size of his 10-year tax reduction because we said then—two things. No. 1, it would endanger the trust funds of Social Security and Medicare, and we now know that is true. No. 2, we said it would put upward pressure on interest rates; that, even at a time when the Federal Reserve was lowering short-term rates, it would hold long-term rates up. That is exactly what we see. The evidence is in. It is just as clear as it can be.

I hope as we move forward this year, we can move to rectify fiscal mistakes that were made last year. The raids on the Social Security and Medicare trust funds, the President's budget plans, are dramatic.

Here are the facts. The President is going to be taking every penny of the Medicare trust fund surpluses over the next 10 years to pay for his tax cuts and to pay for other spending priorities—every dime—over \$500 billion, according to his own calculations.

The President is going to be taking, under his budget plan, over \$1.6 trillion of Social Security surpluses over the next decade to pay for his tax cuts and other spending priorities. It is in his budget. That is his plan.

There is only \$600 billion left, every dime of which is Social Security money. The Congressional Budget Office, we believe, when they rescure the President's proposal, will show that virtually all of that is gone because the President has dramatically underestimated the cost of Medicare over the next 10 years.

Yesterday, in a hearing with Health and Human Services Secretary Tommy Thompson, I showed that the Congressional Budget Office believes the President's budget has underestimated the cost of Medicare by \$300 billion over the next decade. So there is no money left except Social Security money. That is the hard reality. And the President's budget has taken most of that.

I believe history will show very clearly that Democrats last year proposed a greater tax cut in 2002 to try to give lift to the economy, but we proposed a more modest tax cut over the 10 years because we did not want to endanger the trust funds of Social Security and Medicare, and we did not want to keep

long-term rates from following short-term interest rates down because that also gives lift to the economy.

What is important to understand is that fiscal policy—that is, the spending and tax policy of the Federal Government—can adversely affect the monetary policy that is guided by the Federal Reserve Board. While we move to give lift to the economy through stimulus, that can all be countered by interest rates. If interest rates go up or stay high, that can prevent the economy from gaining strength and moving forward.

Facts are stubborn things, as a previous President said. I believe the facts of who stood where with respect to economic policy are just as clear as they can be—absolutely. Tax cuts last year helped reduce the impact of the recession. But it was Democrats who advocated substantial tax cuts last year. It was not the President, either in his February budget or in his April budget. He proposed virtually no tax relief last year. That is the fact.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### THE ADMINISTRATION'S COUNCIL OF ECONOMIC ADVISERS REPORT

Mr. DASCHLE. Mr. President, the administration's Council of Economic Advisers will issue today some self-serving economic revisionism—a little like a figure skating judge awarding the gold medal to his own team. We are going to hear that the recession was somehow shorter and shallower than it would have been without last year's mammoth, surplus-swallowing tax cut.

Let me just say, I might like to change economic history, too, if I had just blown a \$5.6 trillion surplus in less than a year. But let's set the historical record straight.

The administration's proposed 10-year tax cut, when they offered it last year, was \$1.7 trillion, plus about \$300 billion in interest—about \$2 trillion. Of that, there was zero stimulative tax cut. Not a dime was to go out to the American people in the year 2001, last year.

Let me restate that. There was no economic stimulus in the \$2 trillion tax cut that the administration originally sent to Congress.

Democrats who were concerned about the recession were the ones who proposed to give working American families immediate tax relief to get the economy going again. Our Republican colleagues, as late as last week, were arguing that there is no stimulative impact at all to rebates for working Americans.

But now we have the White House Council of Economic Advisers suffering a case of convenient economic amnesia. They are not only forgetting that the administration did not propose a stimulus, they are also forgetting what happened to long-term interest rates as a direct consequence of their ill-advised, long-term fiscal policy.

The administration's plan, history will show, was exactly reversed: No stimulus but huge, long-term fiscal damage.

The budget just released affirms the return to deficits. It has been hugely damaging to our long-term fiscal condition, including diverting \$1.5 trillion of the Social Security trust funds just as the baby boom generation is about to retire.

Just as important, though, is that long-term fiscal mismanagement has hurt us in the short term. Long-term interest rates have remained stubbornly high even as the Fed reduced short-term rates 11 times. Ten-year Treasuries were at 5.01 percent in January of 2001, and at the beginning of February 2002, they were at 5.05 percent.

That means that homes are harder to buy, student loans are more expensive, credit card interest rates remain unnecessarily high. All of that has harmed people, and it has harmed the economy.

So let's just remember where we were last year at this time: The administration had the wrong prescription for both the immediate and the long term. They proposed no tax cuts at all during the year 2001—zero for working families. It was Democrats who insisted on a rebate that ultimately passed without the support of the administration. But then they gave huge giveaways—tilted heavily toward those at the top income levels—that explode as we move forward. Those giveaways could expose us to fiscal disaster as the baby boomers approach retirement.

So we should be clear on what happened. Democrats were for immediate stimulus for working families and for prudent long-term tax cuts that would not have jeopardized our fiscal future or the retirement security of millions of Americans.

The report that we are going to get today from the administration is trying to substitute political sound bites for sound economic analysis. No fair judge would call the administration's economic plan a medal-winning performance.

#### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

Mr. DASCHLE. Mr. President, under the authority granted to me on Thursday, February 14, I now call up Calendar No. 65, S. 517.

The PRESIDING OFFICER. The leader has the authority. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (S. 517) to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for the fiscal years 2002 through 2006, and for other purposes.

AMENDMENT NO. 2917

Mr. DASCHLE. Mr. President, I have an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for himself and Mr. BINGAMAN, proposes an amendment numbered 2917.

Mr. DASCHLE. I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Text of Amendments.")

Mr. DASCHLE. Mr. President, we have seen in the last year that energy security is related to economic security as well as to national security. Americans need and deserve an energy plan that truly moves us towards energy independence. At the same time, America's appetite for energy continues to grow each year. Over the next 10 years, the United States is expected to consume roughly 1.5 trillion gallons of gasoline, yet the United States holds only 3 percent of the known world oil reserves.

There is no question that we need to free ourselves from our dependence upon foreign oil and the volatility associated with it. But increased production alone will not meet this demand. It is clear we need a new approach.

Last year, Democrats promised our colleagues they would begin an open debate on energy legislation before the Presidents Day recess. Today we are keeping that promise and bringing to the floor an example of that new approach, a comprehensive, sensible, and balanced plan to address the energy challenges of our Nation.

This bill will achieve a number of important objectives. It will reduce our dependence upon foreign oil. It will ensure abundant and affordable energy for all Americans. It will create jobs for American workers. It will improve our air quality and reduce emissions of greenhouse gases which will make the United States a more credible participant in the international effort to address this serious problem.

This bill is the work of nine Senate committees. It reflects a broad range of ideas and proposals. It has the provisions that will allow us to use our traditional fossil fuel supplies more intelligently and incentives to help us diversify our energy supplies with renewable sources such as wind and solar, geothermal, and ethanol.

This bill also seeks to take advantage of the huge opportunities for commonsense conservation in our cars and homes, the appliances we use every day. In fact, the fuel efficiency provisions of this bill will save the United

States as much oil as we import from the Persian Gulf.

If the goal—as so many of my colleagues have stated—is true energy security, then this is the way to achieve it: By balancing production and conservation, innovation, and improvement in existing technology.

This bill also recognizes the linkage between energy policy and climate change. To that end, it includes a number of bipartisan proposals to confront the rising tide of global warming. It has been said that we are all continually faced with a series of great opportunities brilliantly disguised as insolvable problems. Meeting our energy challenges is a difficult problem, but it is also a great opportunity to demonstrate America's strength and American ingenuity.

I thank all the chairmen who worked so hard during the last few months to craft this legislation. I look forward to working closely with them, with my Republican colleagues, and the White House to craft final legislation that hopefully will be signed into law this year.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. MURKOWSKI. Mr. President, I was very pleased to hear the remarks of the majority leader relative to the introduction of the energy bill. I have that bill here. It is important to recognize that it is about 500-some-odd pages. It is a very complex bill. I want to make a brief reference to the majority leader's comments where he thanked the chairmen who helped craft this bill.

This is what the bill looks like. As we start in, it is going to be quite an educational job because much of the bill is crafted without the input of the members of the committees of jurisdiction.

When the majority leader says he wants to thank all chairmen, I join and applaud that effort, but what about the members of the committees of jurisdiction? To some degree, they have been left out of this process, which I think is extremely unfortunate. Did they help craft this bill? Were they asked? Clearly the answer is no.

As an example, as the ranking member of the Energy and Natural Resources Committee, I can certify that the committee has not had an opportunity to, in a markup, deliberate on the merits of this package of some 500 pages covering aspects as complex as electricity and electricity deregulation.

It is fair to say this bill is going to require a great deal of time and a great

deal of education. There are technicalities associated with the electrical portion that are so complex that without having a committee process where it is debated within the committee so that we formulate positions and vote out the amendments on the basis of examination, on the basis of a support group of both Republicans and Democrats coming together, we are going to find ourselves in a situation where we have to depend on a lot of time and explanation in the Chamber.

Members are going to be torn in the educational process by lobbyists who are going to educate Members on specific issues affecting their particular area of energy-related activities.

When the majority leader says he wants to thank the chairmen, I point out and elaborate a little further that not only has the Energy Committee been left out of the process but in the area of CAFE, which is a very controversial portion of this bill, the Commerce Committee has been left out.

The rationale behind that is beyond me, but clearly the majority leader has seen fit to take this bill up without the input of the actions of the committee of jurisdiction, the Commerce Committee. Therefore, we are facing a situation where there is a CAFE standard in the bill and it has not had examination from the committee of jurisdiction.

To some extent this is also true of the Finance Committee inasmuch as the tax components are to come in later, as I understand it, which basically means the various incentives in this bill that are provided to encourage new technological developments in recovering energy from coal-bed methane or developing hydrogen, and various other aspects which we want to encourage through tax incentives are also not in the bill because the Finance Committee simply has not been given an opportunity to vote out these issues.

It is a less-than-perfect process, though it is not the first time we have had a less-than-perfect process around here.

As we review these 500 pages of the bill, I put my colleagues on notice that since we finally got the bill introduced, we should reflect on what we have before us rather than what we do not have; in other words, be positive rather than negative.

I think the consequences of that reflection bear on the reality that I am going to have a lot more to say after we return from the recess. But before we get into the real debate, which will probably occur Tuesday or Wednesday after returning from the recess, I wish to point out a couple of points.

The President, in his State of the Union Address, charged us to help make our Nation more secure. That "us" means both the House and the Senate. The House passed H.R. 4. The House has done its job. The job of the Senate remains in front of us. But I think most Members would agree, our energy policy is a critical first step in

this challenge. And it is a challenge. It is a challenge when we fight for freedom, when we seize the day for democracy.

The rationale behind these comparisons is one thing. We need energy to accomplish them. When we pioneer technologies that save lives, when we turn on the conveniences that mark the differences between modern life and life in the past, we turn to energy.

We turn to energy as we look at the standard of living that Americans enjoy. If it is an SUV, it is an SUV because Americans prefer that as opposed to being dictated by Government as to what type of an automobile they have to drive.

When our energy supply is threatened, that is another matter, and that is why the work we are starting today is so critical. That is why the process that got us to this point has been—well, it has been frustrating. It has been a little embarrassing. I have highlighted it in my opening remarks.

Again, because the majority leader forced the Senate to consider the measure without the benefit of committee deliberation and action, he has made the task of moving the bill much more complicated than it might be ordinarily.

Difficult and divisive issues that could have and should have been addressed in committee are now going to be debated in the Senate Chamber. That is going to require an educational process because many Members simply are not familiar with many of the terms of much of the technology and there is not a basis of support coming out of the committee.

This is a flawed process, and I think it is unfortunate. It sets somewhat of a precedent in this body that the Energy Committee has simply been directed by the majority leader not to mark up the energy bill. That is rather extraordinary.

What is the rationale behind it? There are certain aspects in the bill to which the majority leader and others object. One of them currently is the ANWR issue, the contentious issue of the electricity matters, the contentious issue of CAFE, and many others.

Some things are left out of this bill. ANWR is certainly left out of the bill and, as a consequence, it is going to take 60 votes to put it in. Had we been able to vote it out of the Energy Committee—and we had the votes to put it in the energy package—why, it only would have taken 50 votes. The psychology is very clear. The majority leader has seen fit to set it up so that it requires a 60-vote point of order.

We can point fingers in each direction, and certainly in this political process within the rules of the Senate everything is fair, but I did want to bring this to the attention of my colleagues.

Even with additional hurdles being put before us on this overall bill, I believe we can and I believe we must move the bill off the floor and get it to

conference, but we must do it in a way that addresses the difficult policy decisions that are before us rather than avoid them.

What we have to do in realism and what is expected is to build a bridge. There is no question that we see in the numerous polls that the country expects us to pass an energy bill. The Nation needs an energy bill, one that is rooted in finding new alternative energy sources, one that boosts our efficiency, helps us use less energy.

We all agree with this, but efficiency and alternatives alone are simply a two-legged stool. Alone they will not close the gap between energy supply and energy demand in this Nation. We must also seek to safely increase our domestic energy resources. We must do it in a way that protects our environment, and we can. We have the technology. We have proven ourselves.

Make no mistake, we are the most energy-efficient economy in the world, and we are getting better. So I think we have to recognize our standard of living is directly related to the efficient use of energy.

Since the 1970s, it now takes 40 percent less energy to produce each dollar of our GDP.

This chart shows in 1973 it took approximately 18,000 Btu per dollar of our domestic GDP, and today we are down to roughly 10,000 Btu per dollar. That is realism. That is progress. That is efficiency. That is the American way of life. It is the American standard of living. So we have become 42 percent more efficient per dollar of GDP. Our efficiency has increased.

We are going to hear a lot of criticism that we consume a quarter of the world's energy. I will acknowledge we consume a quarter of the world's energy, but let's hear the other side of the argument. We produce a quarter of the world's economy. That does not come by magic. We do not pick that off a tree. It is directly related to energy and our efficiency. Without the efficiency, we would not be using a quarter of the world's energy; we would be using a lot more. We use energy to produce a quarter of the world's economy. Let us keep that in mind and be proud of it, proud of the American worker and proud of our energy-producing industries that provide jobs in this country.

In doing so, we have proven we can balance our conservation and our environmental protection with increased domestic energy production. That does not mean we are doing it perfectly, but we are doing a better job, and we can continue to improve. For that reason, I refuse to take part in this fable being put forth by some in the environmental community in their spin machine that says this Nation needs to make a choice, a choice between using the energy technologies of today—our coal, our oil, our gas, our hydro, our nuclear—or using energy technologies of tomorrow. Reality dictates we have to use both.

Some say we have to spend on technology, and if we spend, we will develop that technology. That is very easy to say. We have expended over \$6 billion in the last 6 or 7 years on advanced technology through grants and through the Department of Energy, and we should continue that. But to listen to some who say this debate is about energy vis-a-vis the environment, that is to say it is about today versus tomorrow. Some insist whatever solutions we propose, they cannot be done safely today. That logic, in my opinion, sells the American worker and American ingenuity far too short.

We need to strive for new technologies that diversify our energy supply. We need to conserve more. We need to become more energy efficient. If this bill passes, we will not be driving hydrogen cars tomorrow. We will not be powered by solar or wind by tomorrow morning. We simply cannot shut down the economy of this Nation and put our Nation's national security on hold for a generation or more while we work on a new technology that simply displaces our current dependence on coal, oil, gas, hydro, and nuclear. We have to build a bridge to the future. I think that is one of the cautions I have about this bill.

Some suggest we can simply get there through conservation. Even if we get to the point where wind and solar and alternative energies emerge up to 20 percent of our energy mix, where does the other 80 percent come from? It comes from energy sources we use today: Coal, oil, natural gas, hydro, nuclear. We must thoroughly explore new technologies to reduce our consumption in the coming years.

One of the problems I have with this bill is their proposal on CAFE, to move it up to 37, 38 miles per gallon. That is a very easy thing to say: Let's do it. How one gets there from here is something else and, as usual, the devil is in the details because the timeframe is somewhere in the area of 15 years before we have to be held accountable for setting a goal today that is going to come due 15 years from now. Most of us will not be here.

So who is going to be held accountable? It is easy to say, and vote for, let us get 37 or 38 miles. But what does it really mean? Does it mean safer cars, lighter cars? What does it mean for the American automobile industry in competing with the foreign automobile manufacturers, the cost of cars, the American labor? There are many issues involved.

Sure, we have to conserve more. We have to get better mileage. But do we want the Federal Government to dictate to the American people what type of an automobile they can buy or do the American people want their standard of living to dictate that?

I think these are some of the things we have to consider because we have more than 200 million cars on the road and oil will continue to be the primary ingredient in our surface transportation needs for the foreseeable future,

even if we do get up to the 30 miles per gallon.

One can buy that kind of a car. They can buy a 56-mile-per-gallon car if they want to. So the technology is out there. The question is, How do we get the American people to move over there?

Some are going to hang on to their old cars. They certainly have that right. We know some are going to take advantage of circumstances depending on their environment and where they live. If someone drives a long way and they want to be in comfort, they might want, obviously, a more comfortable car. If they have a quick commute, they might get by with a smaller car. My point is, we have these choices available currently.

The other issue is, again, as we address goals, which I certainly support, we also have to address heavily the accountability to achieve those goals. There are going to be efforts by NHTSA, which is the organization that evaluates the technical ability to increase mileage; they are going to come up with a study and some figures. I think we should try to balance the attainability with the reality associated with CAFE standards.

Furthermore, other sources of power are often confused with transportation because we have a lot of energy sources—we have gas, hydro, coal, and as I have said, nuclear—but what moves America and what moves the world is oil. We have no other alternative. Perhaps we wish we had. So we have to be careful to recognize the vulnerability of this Nation as we find ourselves 57 percent dependent on imported oil, and it is growing. The recognition that we are not going to have other relief for moving America other than oil I think has to be reinforced in the minds of many Members. One does not fly in and out of Washington, DC, on hot air, even though there is a little bit around here from time to time.

We have over 100 nuclear plants across the country. They are very important because they provide emission-free energy. Twenty percent of our entire energy mix is produced by nuclear. New electricity plants are being built today that run on natural gas. Yet we are pulling down our reserves of natural gas faster than we are finding new reserves. That is a fact. The United States is the Saudi Arabia of coal. We have centuries of supply. Can we use our technology to make our coal cleaner? We can. We can use these resources, and we can use them in a more efficient way, and we have to do that.

I conclude with a reference to jobs and the economy. Development of our domestic resources means lots and lots of jobs, thousands of jobs across the country, for crafting pipe, developing new software, building double-hull supertankers to move our oil from Alaska, my State, down to Washington and California.

This is a requirement under the Jones Act that mandates that oil must

travel in U.S. vessels between two American ports, from Valdez down to the San Francisco Bay area, or the Puget Sound area, Los Angeles, and unload; double-hulled, supermillennium tankers built in U.S. shipyards with U.S. crews, not foreign ships coming from Saudi Arabia.

They provide high-paying, high-skilled jobs that will help turn our economy around and help get us back out of this recession. So jobs and the economy are very important as we address this energy bill.

It is estimated we lost 700,000 jobs in this country since September 11. It is payback time. It is time to put American workers back to work. I reject the underlying premise of those who oppose domestic resource development and those who do not believe the American worker and American technology can develop our natural resources while fully protecting the environment.

Some may unrealistically fail to recognize they can choose to rely on Saddam Hussein and others for energy supplies because we are currently importing somewhere in excess of 750,000 barrels a day from Saddam Hussein. On September 11, we were importing a million barrels a day. We all know we are enforcing a no-fly zone. We take out targets, we endanger lives of American men and women. We have been doing that since 1992. We also know that as we take his oil and put it in our airplanes and take out his targets, he takes our money, develops missile capability and aims it at our ally, Israel. We have not had U.N. inspectors in that country for 7 years. I hope we do not stand up someday and say, as we are saying about Osama bin Laden, we responded too late. We know what happened with bin Laden and his terrorists. They were active in taking out our embassy. They were active in other terrorist activities. We waited. Are we going to wait too long with Saddam Hussein and Iraq as they build up the weapons?

There is a day of reckoning at some point in time. We will have to face the reality of what Saddam Hussein will do, or our insistence that we inspect with the U.N. authority. The longer we put it off, the more devastating the retaliation on his part might be. We have to reflect on that. That is why I am so adamant in encouraging my colleagues to stand with some of the proposals and amendments that will be offered to reduce dependence on the Middle East.

A way to do that is to open up that very tiny portion of the Arctic in Alaska. I will show the location. It is important in this debate to reassert the footprint. This area, called ANWR, is pretty big, 19 million acres; 19 million acres is the size of the State of South Carolina. In this case, we have wilderness in the light yellow, refuge in the dark color. Congress set up the Coastal Plain with the authority to determine whether it should be open and put up for competitive lease. This is the area

where the prospects for major discovery are most likely to occur.

It is estimated by the geologists that the recovery of oil in this area is somewhere between 5.6 and 16 billion barrels. What does that really mean? We have all heard of Prudhoe Bay. We have seen the 800-mile pipeline between Prudhoe Bay and Valdez. At one time, it was carrying 2 million barrels a day, 25 percent of the total crude oil produced in this country. Today, it is a little over a million barrels a day, about 20 percent of the total crude oil produced in this country.

What was the field estimated to produce? Ten billion barrels. It is on the 13 billionth barrel. If the estimates are correct, somewhere between 5.6 and 16 billion barrels; if you want an average of 10 billion barrels, it is as big as Prudhoe Bay.

The pipeline is in place. We are not talking about that. We are talking about building laterals over here about 70 miles. This could be equal to what we import from Saudi Arabia for 30 years or Iraq for 40 years. When Members say it is insignificant or it is a 6-month supply, Members must recognize that argument simply does not hold oil. Some say it will be 10 years. We built the Empire State Building in a couple years, the Pentagon in a couple of years. We could have oil flowing in a couple of years.

When will it occur? In the wintertime. How does it look in the wintertime? The winter is long. I will show you what it looks like. Winter in Prudhoe Bay, winter in ANWR, runs about 10 months of the year. It is tough. What is the footprint in the wintertime? We have ice road technology, so there is no permanent scar on the tundra. This is an ice road. No gravel. Simply remove the snow, build a pad, put water on it, take saltwater from the Arctic Ocean. This is the pad. That is the drilling.

What does it look like in the summertime as a consequence of this type of environmental commitment? That is it.

Returning to the first chart with a brief explanation, keep size in perspective. This area is 1.5 million acres out of 19 million acres. The House bill said we could only make a footprint of 2,000 acres. That is what we are asking in the amendment which we will offer in this bill—2,000 acres of 19 million acres. Somebody in South Carolina that has a 2,000-acre farm can relate to that. Gee, only 2,000 acres out of our whole State. The rest of the State will be either a wilderness or a refuge.

Some say we should not be doing anything. They do not understand what refuges are. This is a map of refuges for oil and gas and minerals that are developed in California, Texas, and Montana. These are the specific areas of activities. Louisiana has a lot of activity in refuges. Oil and gas exploration is not foreign to refuges.

Again, emphasize the footprint for those participating in viewing this

chart; 2,000 acres is it. There is a village already here for those who suggest somehow we are bringing a footprint in an area where there has never been a footprint. There is an airstrip, the old radar station. About 300 or 400 people live there. There are the kids going to school.

My point is, there are people up there—not very many—but they want a better way of life. This is a little social club. They want the same advantages you and I have: Reasonable health care, opportunities for their children, insurance. It all relates to jobs. They do not want welfare reform.

Some say we should not disturb their custom. Do we want to put a fence around those people? They have television. They know what is going on in the world. Their customs change. They maintain traditions. That is very important because that is who you are.

By the same token, they do not want to live as they used to. You and I know what a honeybucket is. A honeybucket is an indoor toilet, really a pail, as opposed to running water that you and I enjoy. They do not want to live that way anymore. They want schools, opportunities, and education. They support this. Yet there are some in the environmental community who would dictate how they prefer them to live, how they prefer them not to have jobs.

As we look at this transition of our culture and our people, recognize this is a very balanced area. If some are interested in more wilderness, I don't know whether that is possible or not. Clearly, we have wilderness. We have refuges. We have a development. We have a very small footprint.

I hope, with this brief explanation, more Members can reflect on the reality that this can be done right. We have the technology to do it. I have faith and confidence in this Nation's men and women who drive our energy resources.

We need an energy bill that provides today's resources to move us to tomorrow's promise, not shallow measures with empty promises that export our wealth and jeopardize national security, and ship our U.S. jobs overseas.

I recognize the public policy debate about how best to approach our energy policy is complex and will involve issues at the very heart of the extreme environmental agenda. I think we should frame this in a simple manner, in a manner the American people can understand. Is it better to have a strong domestic energy policy that safeguards our environment and our national security than to rely on the likes of Saddam Hussein and others to supply this energy—countries in the Mideast that are clearly unstable and will be for some time? The answer in my mind is clearly yes.

I know some in this Chamber suggest this energy bill is just politics, pure and simple. As far as another piece of the puzzle being laid out is concerned, we have heard all kinds of explanations of why this is bad. We have had broad

support for reducing our dependence on imported energy sources. We have had veterans groups come up and support it. The response has been: "False patriotism." I think that is inappropriate.

I refer to reality. Reality dictated a comment that was made by Mark Hatfield, the Senator from Oregon. I served with Mark for many years. He was a pacifist. He said: I'll vote for opening up this area, this sliver of the Coastal Plain, in a minute, rather than vote for a measure that would send American men and women overseas, in harm's way, to fight a war over oil in the Mideast.

As we look at the attitude of American veterans associations that support developing an oil supply here at home, I think we have to reflect on the comments of some of our Members who suggest this matter is really about false patriotism. They could not be more wrong.

I have been around here a long time. I have been around here long enough to know lots of people do things for their own reasons. What we cannot do is sell short the American family, the American laborer—America's future, if you will. Energy is not about politics. It is about families across the country wondering if their jobs will be there in the morning. It is about preserving the very independence of this Nation. I believe in a nation that is dependent on no one but God alone.

Our President has made it clear. President Bush has mentioned, from time to time, the necessity of having the Senate pass an energy bill. As recently as the State of the Union Address, he stated the urgent need for a national energy plan. He laid it down as one of his first proposals, with the Vice President. It is known. It has been publicized. It has been examined.

He knows energy is about jobs. He knows energy is about security. He wants to protect this Nation from what he calls a real axis of evil. When we apply that to Saddam Hussein, it sticks. To some extent it sticks in Iran. The very fact that we intercepted a ship filled with armaments for the PLO demonstrates that. Our President knows, as long as we are dependent on other nations for our energy, our very national security is threatened and our future is at stake. So we should make every effort, every responsible effort, to reduce that dependence.

Our challenge is clear. It is to deliver to this President an energy plan for our Nation and an energy plan for our Nation's future. I urge my colleagues to recognize the weight of this task before us as we begin the process. We should come together to have the courage to vote on the difficult issues and do what is right for our Nation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

#### MORNING BUSINESS

Mr. REED. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

#### BUSH TAX CUT

Mr. REED. Mr. President, yesterday the President's Council of Economic Advisers released a report claiming that the Bush tax cuts are responsible for keeping the recession more mild than it otherwise would be. They claim that the already passed tax cut has raised prospects for a solid recovery and that by the end of this year there will be 800,000 more jobs than there otherwise would have been.

The report of the Council of Economic Advisers is somewhat curious. It is obviously self-serving. It does make a fundamental mistake. It tries to suggest that the Bush tax cut, which centered on the reduction of income tax rates principally benefiting the highest paid and most affluent Americans, is the cause of the slight stimulus we have seen over the last few months when in fact, to be honest about it, it has been the proposed rebates championed initially by the Democrats, not part of the initial Bush proposal, that has provided some stimulus effect over the last several months.

That goes to the nature of, first, a rebate directly to a whole host of Americans across a broad income range. Those rebates typically were spent, and that seems to be the case in this situation.

The reality of the Bush tax proposals is that, first, they were not effective this year. Much of his tax cut proposal does not become effective until the following fiscal year. As a result, to make claims that his tax concept is a part of this stimulus effect is rather suspicious on its face.

To suggest, as I think is the suggestion, that this "tax plan" will lead to further stimulus of our economy is also suspicious. What it will lead to, which is already apparent, is increased Federal deficits. This year, because of the poor economic performance of the country, we have seen the Federal deficit materialize. But as we go forward, most of that deficit can be attributed not to adverse economic circumstances but to the tax cut. As we deny resources that are necessary to have this Government function and operate effectively in many different areas, we will see the deficit grow and grow.

The problem there becomes, in order to fund Federal programs, we must go into the debt markets. We must borrow