

pending—as I understand it, five—and there will be other amendments offered today. I urge colleagues to come to the floor to offer their amendments and to ensure we have adequate time by the end of the week to dispose of those amendments that have yet to be offered.

There is a good deal left to be done on the bill. Our focus will be on four areas. The first will be the need for the President to clarify more effectively what our plan is with regard to the use of the \$87 billion, the \$22 billion in particular for reconstruction aid. Today we saw yet another indication of the murkiness with regard to the plan. The administration has made a decision to reverse itself with regard to some of the demands it was making upon the United Nations, and, as a result, we are perhaps more hopeful now that the U.N. could be involved. But without a plan, it makes it very difficult for us to commit the resources. Simply asking for a plan is no substitute for the plan that is required.

Secondly, we want more transparency. Billions and billions of dollars are being spent. Corporations, such as Halliburton and Bechtel and others, have benefited, but we have no way of knowing how much, what will be the profit. When we passed the Marshall plan 50 years ago, we had an explicit prohibition on profiteering. There is no explicit prohibition today. As a result, there is no transparency as well. I think it is critical for us to have a better understanding for the taxpayers and the Congress to know precisely how this money is going to be spent and who is going to benefit and how, if we can, avoid the wasteful expenditures that some have already reported.

The third area we want to concentrate on is the need for a recognition that it ought to be paid for. Whether it is paid for in a way of collateralizing the money requested, if it is asking those at the very top of the income scale to help pay—there has been no request for sacrifice on their part—whether we simply make this a loan, recognizing that somebody is going to have to pay for this, somebody is going to have to be willing to borrow it and give it to Iraq or, the question is, Does it merit at least consideration that we ask Iraq to borrow the money rather than the United States? But somebody will borrow the money. That is the bottom line, and I think we need to recognize that point.

Finally, we also need to recognize important domestic priorities. Senator MIKULSKI and Senator BOND, as I understand it, will be offering an amendment to provide the resources necessary to fully fund the Veterans' Administration budget for this year. We are over \$1 billion short. Their message is simply that if we are going to support the troops, we ought to support the veterans—the veterans who are coming home needing health care, veterans who are now being asked to wait up to 6 months for health care, in some

cases. But there are important domestic priorities that ought to be addressed as well.

It is our hope that through this amendment, and other amendments like it, we will be in a better position to say, yes, we want to be supportive of the need to reconstruct, to provide the resources to Iraq, but we also need to recognize the importance of providing those resources as well for important needs here at home, especially those involving veterans.

That will be the debate for the week. I am hopeful that many of these amendments will be adopted; that we can improve the legislation as it was offered and proposed, and, at the end of the day, we have the assurance we know where the money is going; that at least in part it will be paid for; that it recognizes domestic priorities; and that there is a plan, a recognition that we are not going to be there interminably; that we need a clear and much more precise way of analyzing our success or our shortcomings as we commit these resources for the course of the next several months.

#### CURRENCY MANIPULATION

Mr. DASCHLE. Madam President, there is another issue I wish to mention. It has to do with a requirement by law that the administration issue a report on currency manipulation by October 15. That is the law. There is a requirement passed by the Congress, signed by the President, that the administration needs to provide a clear understanding of the circumstances, especially involving China and Japan.

We have good reason to believe there is dramatic currency manipulation underway in those two countries; perhaps as much as 40 percent of the current strength of the Chinese yuan can be directly attributed to currency manipulation.

When we passed the law, we said the Congress needed, first, to receive the report from the administration and, second, that the administration needed to lay out its specific plan for dealing, confronting, and effecting ultimately this manipulation so that the extraordinary impact it is having on our trade balances and, therefore, on our economy could be dealt with.

We currently have a \$103 billion trade deficit with China and a \$70 billion trade deficit with Japan. We have lost over 2.5 million manufacturing jobs just in 3 years. A lot of those jobs are going directly to China and Japan, to places in Asia.

The hardest hit industries in the last 2½ years include 67,000 jobs lost in the plastics industry, 15,000 jobs lost in machine tool manufacturing, 21,000 jobs lost in tool and die manufacturing, 100,000 jobs lost in furniture manufacturing, and 139,000 jobs lost in the textile manufacturing industries.

What we are suggesting is that, first, the administration do what the law requires. I come to the floor this morning

very concerned with the reports I have heard that the administration has no intention of releasing its report on time; that there will not be the report required by law that they will provide us with as clear an understanding of the circumstances involving currency manipulation as they can.

We also ask, not only do they offer the report, do they present the report to the Congress, but that they do what the law also requires, which is to enter into formal negotiations with all of those countries for which we are concerned as it relates to currency manipulation.

Finally, we also propose that they pursue a section 301 trade law investigation to set the stage for WTO and further action by the WTO in these cases, unless first we report and, secondly, provide specific and direct bilateral action and then pursue the laws as they are affected in this 301 matter.

There is no way we can begin addressing the very serious problems we have with regard to the manufacturing and service industry job loss we have experienced now in the last 2½ years. October 15 is upon us. The report needs to be provided, and I hope the administration will follow the law and do what the law requires and give us the report and allow us to work with them to enter into formal investigations at the earliest possible date.

#### JUSTICE DEPARTMENT INVESTIGATION

Mr. DASCHLE. Finally, I will talk about our grave concern with regard to the ongoing investigation in the Department of Justice with regard to the leak of CIA agent Valerie Plame. In a letter to the administration, we have noted they need to address five specific missteps we think directly hinder and perhaps may adversely affect the outcome of this investigation.

First, the Department of Justice commenced this investigation on Friday, September 26, but did not ask the White House to preserve all relevant evidence until September 29. No one knows why. For those 4 days, the investigation went on without any formal request of the White House or anybody else to preserve all relevant documents.

Second, after the request, White House Counsel Alberto Gonzales asked for yet another delay, until the following day, before any of the relevant evidence would have to be provided. This is a significant departure from standard practice and, again, mysteriously inexplicable.

Third, no request was made of State and Defense Department agencies until October 1, almost a week following the request made of the White House. Again, that is completely inexplicable. What is even more troubling is that the Wall Street Journal reported that a request would be made to the Department of Defense and the State Department the very day it was done, again

tipping off all of those who may have had some reason to destroy evidence.

Fourth, White House spokesperson Scott McClellan stated he has already determined that three White House officials—Karl Rove, Lewis Libby, and Elliott Abrams—had not disclosed any information. Now, he is not a member of the investigation. He has no legal expertise. He is the current White House spokesperson, but he said he personally made that determination and could announce with confidence they were not involved.

That perhaps is the most troubling of all. How can someone with no legal expertise say with official acclamation that these individuals are not involved? First, he does not have the expertise. Second, if indeed that turns out to be wrong, someone in the Justice Department is going to have to confront the White House and reverse that pronouncement, making it all the more difficult for the investigation to go forward.

Finally, the investigation continues to be overseen by Attorney General Ashcroft, someone who has very close personal and political ties with many of those who are at least subject to an investigation. That, too, is extraordinarily troubling.

I was concerned last week when the President said it was unlikely that any guilt could be found; that it was unlikely this investigation would prove to be productive. That, too, sent a chilling message to all of those who are investigating.

So these are very serious missteps that call into question whether this investigation is going to be carried out in the deliberate, thoughtful, and thorough way it demands.

I think we ought to ask, Who is in control here? Why has somebody not been appointed to provide the answers to these questions and to deal with these serious missteps? They get worse. The cloud of doubt hangs over the investigation.

Some have suggested there may be a coverup, but I think it is important for us to determine the facts, get the information, deal with the eroding confidence people have in the quality of this investigation, and ultimately bring it to a successful conclusion.

Mr. REID. Will the Senator yield for a question?

Mr. DASCHLE. I am happy to yield.

Mr. REID. From the statement the Senator has made, it is my understanding that out of the \$87 billion the President has requested, the Senator from South Dakota has said that some \$21 billion will be for the reconstruction of Iraq, not dealing with the military but for the reconstruction of Iraq, and that someone is going to have to borrow that money. It is a question, as I understood the Senator from South Dakota, whether the taxpayers of America will borrow that money or whether the people of Iraq, with their large oil reserves, will in effect borrow the money. Is that in fact what the Senator said?

Mr. DASCHLE. The Senator from Nevada heard me exactly right. I was interested in comments made earlier today that we really do not have to worry that much about the exploding deficit; that it is not that serious. Well, that is not what the CBO said.

About a month ago, the Congressional Budget Office noted that at current rates the debt is not sustainable; that we are not going to be in a position to provide the kind of debt service ultimately, within the course of the next 10 years, if nothing changes.

The debt we have already authorized is going to expire once again. We are going to have to increase the debt limit within the next several months. We are told by some groups outside the CBO that we could see a total Federal debt within 10 years of anywhere from 8 to 10,000 billion dollars.

That is right, 8 to 10,000 billion dollars. That is \$8 trillion. That amounts to somewhere in the vicinity of \$70,000 to \$75,000 for every man, woman, and child in the country. That is what we are facing right now.

For us to say we are going to exacerbate that by borrowing even more to provide reconstruction assistance to Iraq is deeply troubling. They sit on perhaps the largest oil reserves in the world. It seems to me those oil reserves ought to at least be considered. Even though they are not available today, at some point that oil can be tapped. If it can be tapped, it seems to me it would make a lot more sense for us to collateralize that oil than to borrow even more money, adding even greater debt to every man, woman, and child in this country.

I appreciate very much the question of the Senator from Nevada.

Mr. NELSON of Florida. Will the Senator yield?

Mr. DASCHLE. I am happy to yield to the Senator from Florida.

Mr. NELSON of Florida. I have a couple of questions for the minority leader. On the question of the debt, it is estimated that in the fiscal year that just began, October 1, we are going to end up sending more than we have coming in, in tax revenue this year to the tune of \$600 billion. That is over half a trillion dollars.

My question to the minority leader is this. I have gotten feedback from innumerable townhall meetings over this past week in my State of Florida from people who are so concerned that by our not having the revenue and therefore having to borrow that, they are not going to be able to get the expenditures of the Federal Government in areas such as education, transportation, and health care. Would the minority leader comment on that?

Mr. DASCHLE. The Senator from Florida is absolutely right. We are being told we cannot fully fund the No Child Left Behind Act, which would require about \$6.5 billion, most of which goes to those who are special needs children. Over \$6 billion of it goes to special needs children. We cannot af-

ford that, we are told, because the money just is not there. We are told we cannot afford the close to \$1.9 billion our veterans need to fully fund the Veterans' Administration, for the health needs of the veterans, the very people returning from Iraq today. We are told the money is not available. We are told the money is not available to fully fund a highway bill this year. I am told we would need somewhere in the vicinity of \$30 to \$40 billion to fully fund the highway fund. We may not be able to do that because I am told the money isn't there, so I am very troubled. We are told we don't have the resources for funding of highways and housing and health care in America, but we have the money to fund housing and highways and health care in Iraq. That is something we have to confront a lot more effectively as we consider this legislation.

Mr. NELSON of Florida. If the Senator will further yield?

Mr. DASCHLE. I am happy to yield.

Mr. NELSON of Florida. Madam President, I ask the minority leader if he would comment further after his clear statement of having five times requested information about discrepancies in the White House with regard to the outing of a CIA agent. If I recall, when this fiasco broke several weeks ago, there was an attempt to minimize it by stating that the CIA employee was merely an analyst, not an operative. It is my subsequent understanding that, to the contrary of that minimization, the CIA agent whose identity was made public by someone in the administration clearly was a very important operative, as reported, I believe, in the Washington Post.

Would the minority leader comment on the seriousness of this kind of outing, on the seriousness of it with regard to the security interests of the United States?

Mr. DASCHLE. Madam President, I answer the distinguished Senator from Florida that, indeed, he is correct. So as not to further compound the problem, I have made it a practice not to reference the agency with which she was associated. I think we have to be very sensitive about that.

But not only was an agent outed but an agency within the CIA was outed as well, something that was not well known. So the depth of damage, not only in exposing an individual but in exposing, as well, a kind of operation underway within the CIA is extraordinary in the magnitude of concern that it ought to cause all of us.

It is all the more reason this investigation is so critical and why we should do all that is possible to find out who may be responsible. For the President to say it is unlikely we will ever come up with who it may have been, I think is deeply troubling because I think it is critical that the laws be upheld and those responsible be prosecuted.

Mr. NELSON of Florida. If the Senator will further yield, it is also this

Senator's understanding that this revealing of the identity of a special agent has so enraged the CIA and its employees that even though there may be an attempted coverup of this in the White House, that it is likely this issue will continue to bubble to the surface; is that the understanding of the minority leader?

Mr. DASCHLE. I have not had any specific report to that regard. But the Senator from Florida has read many of the same news reports I have read, which indicate that CIA personnel take this very seriously, and that to make light of it, to minimize it, to ignore it, to do whatever may be now underway with regard to a questionable investigative effort, is a huge mistake and sets a dangerous and very troubling precedent as we consider situations similar to this in the future.

Mr. NELSON of Florida. I thank the Senator for his comments.

Mr. DASCHLE. I thank the Senator from Florida for his comments, and I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Madam President, parliamentary inquiry: Are we now beginning morning business that has been allocated to this side of the aisle?

The PRESIDING OFFICER. We are in morning business and 21 minutes remain for the Senator's side of the aisle.

Mr. NELSON of Florida. Madam President, I was under the understanding that was leader time?

The PRESIDING OFFICER. Leader time had expired.

Mr. NELSON of Florida. I see. Then, in deference to my colleague, I will just make a couple of comments, and then I will certainly want to hear from my colleague who is one of the greatest orators in this Chamber, the senior Senator from Illinois.

The PRESIDING OFFICER. The Senator from Florida.

#### FUNDS FOR IRAQ

Mr. NELSON of Florida. Madam President, I have had a wonderful time this past week in my State of Florida, over the course of 4 days, having about 25 townhall meetings, many of those townhall meetings in the smaller communities and in some cases rural communities of our State. We have a State that has a wonderful blend of urban and rural. Indeed, the State of Florida, as we so well know in politics, is often a deciding factor in a Presidential race because Florida has become a microcosm of the country as a whole, with many people moving to Florida from other parts of the country. Indeed, people are moving to Florida from other parts of the world, particularly the Western Hemisphere.

There have been very clear messages that have come to this Senator from Florida from the people of that State as expressed in these townhall meetings in the past week. One of the clear

concerns is that people are uneasy with the fact that \$87 billion is going to be spent on the occupation in Iraq when there are so many needs here at home. As I would break down that \$87 billion for the people in these townhall meetings I would point out that \$67 billion will be relatively noncontroversial because that is money that goes to the support of our U.S. troops. What is at controversy is the \$20 billion requested for reconstruction in Iraq. The World Bank says \$70 billion will be needed. So this is the first downpayment on \$70 billion, and the administration is proposing that \$20 billion come from the United States right now.

What is it for? It is for building of roads and bridges, it is building schools, it is providing teachers, it is providing training of teachers, it is providing \$800 million for the restoration of wetlands. It is providing for all of the infrastructure such as water systems and road systems and electrical systems.

As I would explain this, I would see people get very restive in these townhall meetings, for they would say: Well, what about our needs for restoring wetlands in Florida? What about our needs for building roads and bridges and repairing roads? What about our needs for money going into education, just as the majority leader has talked about in the \$6.5 billion that is needed to fully fund the No Child Left Behind Act—the disadvantaged kids.

What about the superintendents of the school systems who came to every one of those townhall meetings and said not only did they need that kind of assistance in their schools, but need resources to take care of disabled kids, too?

What about the IDEA legislation, of fully funding it?

The clear message that came to me regarding the legislation we will be considering here today on the infrastructure needs in Iraq and the infrastructure needs of our people at home here in America.

We will be considering a number of amendments that do not have to be an either/or question because clearly it is in the interest of the United States to stabilize Iraq, and that we stabilize it politically and economically. But it doesn't have to be an either/or question. Iraq is sitting on the second largest deposit of oil reserves in the world. There is going to be a revenue stream once that oil is up and producing at maximum capacity. There is going to be a huge revenue stream coming from that oil. One of the amendments we are going to consider is the amendment to pledge future Iraqi oil revenue to pay back the \$20 billion the United States of America is going to provide for building up the infrastructure, including the \$800 million for wetlands restoration.

That is a clear message given to me from the folks who came to these townhall meetings.

I will close with this, because I want to hear from the Senator from Illinois.

There was another bombing just a few minutes ago in Iraq. It was the bombing of the Turkish Embassy in Baghdad. It is clearly at first blush my impression that this is an attempt at intimidation of the Turks because they have indicated they were considering in their Parliament the sending of troops to assist United States troops in Iraq.

There was another bombing yesterday. We are having, on average, one bombing a day, and/or the killing of U.S. and Iraqi civilian personnel. Iraq has become a magnet for terrorists.

It is clearly in America's interests to stabilize Iraq. Yet, where is the attempt of the White House and this administration to reach out to the international community at the behest of bipartisan voices in this Chamber? Many of those bipartisan voices come from the Senate Foreign Relations Committee saying you don't want just an American face as an occupier in Iraq; that what you want is an international face; that this is an international problem and not just America's problem; and we have to turn Iraq around from being a magnet for terrorists.

It is my hope the administration will finally start listening to Republicans and Democrats in this Chamber who have not only argued but who have pled for an international approach to stabilize Iraq.

Look at the experience in Bosnia. We are finally getting Bosnia stabilized. But it has taken 8 years. The United States had to go into Bosnia first. But then we were able to bring in the world community, including the United Nations. That can be a good model for us, but it is also a realistic model to realize that it is going to take a lot of troops and it is going to take a lot of time.

With that somber note, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, how much time is remaining in morning business?

The PRESIDING OFFICER. There are 12 minutes remaining.

Mr. DURBIN. Thank you very much, Madam President. I thank the Senator from Florida for his comments.

#### JOB LOSS

Mr. DURBIN. Madam President, as Senator NELSON did, I went back to my State of Illinois during the past week and really went from one end of the State to the other. I visited with the chambers of commerce, labor unions, community leaders, hospital administrators, and average people, and talked about things that are on their minds. What struck me was the agenda of America is not the agenda of Congress. I can't get over it. We return here to Washington to discuss important matters but, frankly, ignore the essentials