

and Texas and Alaska. And beginning a plan now for that money to be used in appropriate ways for education, for health care, for economic development, for improving the infrastructure in Iraq and setting up in a way that protects those moneys so they can be used for the people of Iraq would serve as a great foundation or at least a significant part of a plan for reconstruction for Iraq.

In conclusion, the people are talented and industrious, the infrastructure is there to be built on. With a few good and solid ideas like carving out a trust fund with specific funding from their oil and gas reserves, the people of Iraq can enjoy those reserves and benefit from them, not just in the next year but in many years to come.

I yield the floor.

#### THE BUDGET CONFERENCE AND OUR ECONOMY

Mr. DORGAN. Mr. President, I wanted to make a comment about what I have been reading this afternoon and hearing most of today about a process by which the budget conference is going to cobble together a compromise and bring it to the House and the Senate, with the prospect of having the Senate have its arms tied behind its back procedurally in order to accomplish a very large tax cut.

Now, what I do not understand is this: We have an economy that everyone understands is in some significant trouble. We have a fiscal policy that does not add up.

About 2 years ago, the President said he wanted a fiscal policy with a very large tax cut, \$1.7 trillion. Some of us said: Well, what we ought to do is be a little careful and be a little bit conservative because we don't know what is going to happen in the future.

The President said: No. What we have are budget surpluses as far as the eye can see, and we ought to give that money back.

I said: I believe we ought to provide some tax cuts, but maybe we ought to be a little bit conservative. Who knows what is going to happen in the future.

Well, the President won the day on that, and we had the tax cuts. And then we ran into a couple of problems: One, a recession; two, the terrorist attack of 9/11, which was devastating both with respect to loss of life and also this country's economy.

Then we had the largest corporate scandals in this country's history. We had a pancaking or a flattening of the stock market, a collapsing of the technology bubble in the stock market.

All of these things came to the same intersection at the same time and have caused enormous problems for this country's economy.

Some people say none of that matters. The medicine is still the same no matter the circumstance. I submit, when your economy is sluggish, and people are concerned about the future, they don't have the kind of confidence

you would expect about the future—confidence is, after all, what allows this economy to grow—that you ought to take a look at the fiscal policy and see if you can construct a policy that adds up.

Let me describe where we are today.

Two years ago, we had projections that we would have budget surpluses for the next decade—every year, big budget surpluses.

Well, 2 years later, guess where we are. This year, we have a projected \$460 billion budget deficit. Under this fiscal policy, this Government spends almost \$1.5 billion a day more than it takes in—every single day, 7 days a week. People say it does not matter.

We send our sons and daughters off to war. And those brave souls have performed in a way that make all of us proud. But are we saying to them: "Go fight this war and come back and we'll allow you to bear the burden of the costs. We will allow you to bear the burden of paying off the debt". That is what this fiscal policy does.

Some will say the budget deficit is only \$300 billion. That is not true. One hundred sixty billion is the Social Security trust fund. That belongs in the trust fund. You can't use that to counter the deficit. Our budget deficit right now is \$460 billion.

What is the solution? The majority party says the solution is to cobble together a budget that looks like Disneyland to me in its construct, that says what we ought to do is have larger and larger tax cuts. Why? Because it is a growth policy.

The only thing that is growing in this economy is the Federal debt. The budget that left the Senate—I will bet not many Senators know this—which had the lower tax cut number in it, \$350 billion over the next 10 years, proposed on page 6 that at the end of 10 years we would have a \$12.9 trillion debt. I wonder if people know that.

Will it grow the economy? No, it is not going to grow the economy. This fiscal policy is going to grow the Federal debt, from just over \$6 trillion to nearly \$12 trillion in 10 years.

I come from a small town, but we know how to add and subtract. That isn't progress, not for this country.

What is the construction of all of this? The construction is to say, it is a troubled world, we need more defense spending, a lot more. Most Members have decided, yes, we should do that; it is a troubled world; we are threatened by terrorists; we need more spending to protect the homeland—homeland defense it is called, and most Members say yes; I say yes to both of those. So higher homeland security and defense spending, and then very large tax cuts, and then saying: Let's shrink the domestic discretionary spending; let's decide to shrink that.

I was at one hearing today—one example of dozens—on shrinking spending: Let's cut spending for young American Indians going to tribal colleges to try to better themselves

through education. That is what they propose. We will shrink spending for that. Does that make any sense?

I told a story this morning about a young woman named Loretta—someone I have been privileged to know. She grew up in a pretty troubled circumstance. She was shy, stuttered, had a baby out of wedlock, got into lots of trouble. She found her way back. This young woman went to a tribal college on an Indian reservation, got an education, had the support of an extended family for childcare and the kinds of things you can get support for when you are going to a tribal college on the Indian reservation. That young woman who started out in such a difficult situation is now called Doctor. She went to school. They called her a savage. She had a very troubled beginning. But now she is a Ph.D.

Do tribal colleges work? Does it matter? Does it make sense? Is it an investment in life that makes sense? The answer is yes.

So if the construct of the fiscal policy says, let's add for defense and homeland security, and we all agree to that, and let's have very big tax cuts, and then let's cut programs such as tribal colleges that give some of those young American Indians an opportunity, if that is the construct, I say this country is not investing smartly. I would much sooner provide an opportunity for those young kids to go to college than provide a tax cut, on average, which will be \$80,000 a year for the American who earns \$1 million a year in income. At a time when we have a \$460 billion annual budget deficit—yes, it is that unless you take the Social Security trust fund and use it as it has been misused—we say we will just take this out of the hide of some programs that really help people. I don't think that makes any sense. By the way, we will have to do that in order to pay for very large tax cuts. That doesn't make sense either.

I don't know what happened to conservatism. I thought being conservative meant that you did not want to see this runup in Federal budget deficits, you did not want to end up in 2013 with a \$1.9 trillion Federal debt. Yet that is where we are headed. That is on page 6 of the budget report that enough of my colleagues voted for to send it on to the House. Coming back, it will be worse. Coming back, I guarantee you that on whatever page they list public indebtedness, it will be higher than \$11.9 trillion, if they come out with the House number rather than the Senate number on tax cuts.

I don't understand the rationale. We have Nobel laureates, some of the top business men and women, we have almost anybody who looks at this fiscal policy through a lens other than the rose-colored lens of politics saying: This is crazy. This doesn't make any sense. It doesn't add up. This fiscal policy is going to steer this country in a way that will prevent us from having economic growth.

It is interesting to me that this fiscal policy is always described as the growth plan. Even the nonpartisan Congressional Budget Office says this is not going to grow the economy. The only thing it is going to grow is the Federal debt, doubling it from \$6 trillion to \$12 trillion. I don't understand. And perhaps some will say: You don't understand; this is a new approach. But it is really not even new. Twenty years ago we did this. Then the fiscal policy was to say, let's double defense spending and cut taxes, and somehow it would produce more revenue and add up.

The fact is, we ended up on the road to \$6 trillion in additional indebtedness. Then, through a series of good fortunes, this country saw its economy begin to pick up steam once again, and we saw a whole series of things happen, with massive creation of new jobs and growth. Then we began finally to create budget surpluses.

At that moment, very quickly eyes began to water; everybody began to salivate over the surpluses: What can we do with the budget surpluses? The President said: It is their money; it belongs to the American people—he is right about that—so the surplus should go back to the American people.

But some said: Let's not lock in place a tax cut so large for 10 years that it would put our economy at risk.

Never mind, he said.

So now the question: What belongs to the people? The debt? At \$1.5 billion a day, every single day, \$1.5 billion more that we spend every day than we take in.

It is unfathomable that we have seen this juxtaposition in American politics that those who say they are conservatives don't worry about the debt. But, of course, the evidence is quite to the contrary.

I am perhaps limited by having taught economics for a couple of years. I always point out that although I taught economics, I have been able to overcome that experience. The fact is, the study of economics is not a science; it is an art. But we know enough about how this economy works to understand it works with respect to people's confidence. If the American people are confident about the future with respect to this economy, they do the things that manifest that confidence, and that is the expansion side of the business cycle. They buy a home, take a trip, buy a car, make a purchase, and you have the expansion side of the American business cycle. If, however, they are not confident about the future, they do exactly the opposite: They decide not to make the purchase; they postpone the trip; they don't buy the car; they don't buy the house. And that is the contraction side of the business cycle.

It is all about confidence. The question raised by Nobel laureates and many others, and op-ed pieces, in fact, in the last day or so by a bipartisan group of the most distinguished Amer-

ican thinkers, in my judgment, is: How can the American people be confident about the future of this economy until and unless they see a Congress willing to make the tough choices to put this economy back on track and make these budgets add up. The easiest political lifting in America, the easiest lifting for American politicians, is to say: Let me support tax cuts. A more difficult proposition for a politician is to say: Let us make tough choices to make sure our budgets add up.

There is no way that what we are going to be confronted with tomorrow morning adds up. The American people know it, politicians know it, economists know it, and it is going to erode confidence in this country that will, in my judgment, stall and stutter the recovery that we expect, need, and deserve.

I will have more to say tomorrow on this subject. It is a disappointing day to know what has happened that will bring the budget to the floor tomorrow in such a state that we will hardly give the American people confidence about our country's future.

I yield the floor.

#### JUDGE MARY BEATTY MUSE

Mr. FRIST. Mr. President, on April 29, 2003, Judge Mary Beatty Muse of Boston will receive the Lifetime Achievement Award from Boston College Law School which she attended 50 years ago. Judge Muse's professional and personal achievements are extraordinary, and Boston College Law School does well to honor this admirable woman whose life stands as a reminder of honor, courage, commitment, duty to profession, and love of family. It has been my good fortune to know Mary Muse over the past several years, as three of her grandsons and my own boys have become close friends and our families have shared many times together. Let me provide a brief summary of Judge Muse's considerable achievements and note several of the commendations she has received because of her professional and personal integrity.

Mary Beatty Muse was born on July 12, 1920, in Boston, the daughter of Irish immigrants. In 1937, she graduated from the Boston Latin School for Girls and then attended Emmanuel College, graduating in 1941.

Soon after Pearl Harbor, she enlisted in the Navy and joined the first class of the newly formed WAVES. She served in the Navy for 3 years as an intelligence and communications officer. Lieutenant Muse was cited for numerous achievements during World War II, as she and this newly formed group of woman sailors served valiantly during that conflict.

Following the war, she attended Boston College Law School on the GI bill, graduating as one of three women in a class of approximately 160 students. That law school, like so many other of our institutions, has seen much progress over the past several decades.

In noting this progress, it is imperative we recall and honor the people who were in the vanguard of this movement of women into our professions. The circumstances back in 1950 were dramatically different for women. It took unusual courage, perseverance, and fortitude to achieve as Mary Muse did.

From the early days in her professional career, Judge Muse served as a role model to a generation of younger women, particularly in the Boston area. In her law practice and on the bench, she inspired countless women by her words and actions. Over time, the disparity that was so palpable and obvious when she started her career in law has been erased. Only now because of women like Judge Muse can it be said that our educational institutions are open to all, regardless of gender. This past year, Boston College Law School had a graduating class of 267 students, 123, or 46 percent, of whom were women, a vastly different setting from the early fifties when Mary Muse and her two female classmates accounted for less than 2 percent of their class.

In 1983, Mary B. Muse was appointed a justice of the Massachusetts Trial Court. On the bench, she was known for her firm but kindly manner, as she treated all participants—attorneys, court personnel, and parties—with the respect and courtesy that should be the hallmarks of our justice system. She remained on the bench until her mandated retirement at the age of 70. To say that she “retired” though is to misspeak. Judge Muse is now almost 84 and has not begun to slow down in her daily chores or professional activities. Since she left the court, she has been active in numerous and varied undertakings. With an unswerving sense of commitment and an untiring energy, she has served as a member of the Supreme Judicial Court Rules Committee; a member of the board of governors for the Massachusetts Academy of Trial Lawyers; an officer of the Massachusetts Association of Woman Lawyers; vice president of the Massachusetts Judges Conference; a member of the board of directors of the Massachusetts Catholic Lawyers Guild; an elected official in Brookline, MA; a member of the board of trustees of Emmanuel College; and as an officer and member of various other groups and organizations that serve the community. She has also been appointed by the Governor of Massachusetts to be a Master for the Review of Treatment Plans for the Mentally Ill and has been a member of the Governor's Advisory Board to the Department of Mental Retardation.

Her involvement in the Catholic Church reflects the same level of commitment that she brings to her professional endeavors. She has been a Eucharistic lay minister and an active member of her church. But more importantly, behind the scenes, she has been a source of constant and unremitting charity to scores of those

in need. She understands and lives by the notion of quiet charity, helping others both by spiritual and material assistance.

Judge Muse has been honored numerous times by colleges, bar associations, and other organizations. She is the recipient of an honorary degree from Emmanuel College. She has received the Irish American Charitable Award and has been acknowledged with the Distinguished Jurist Award from the Massachusetts Association of Woman Lawyers. In 1991, she was the recipient of Emmanuel College's Alumna of the Year Award. In 1998, Boston College gave her its Alumni Award for Excellence.

I provide this background to give a small sample of the full and vital life of this still very active woman. But it has one critical omission. Along the way, Judge Muse also raised her 11 children, 8 sons and 3 daughters. Each of them was not only a college graduate, but also has a graduate degree from a professional school. They are lawyers, doctors, teachers, builders—and one son is a judge like his mom. If you asked Judge Muse her greatest achievement in life, it would be a quick answer: her family. Throughout her career, she has placed a primacy on what she deems most important in life: her loved ones. As she pursued and reached the pinnacle of her professional career, she raised a family that was deeply nurtured in great love and values. Judge Muse stands heroically in the eyes of her 11 children, all of whom will come from different spots in the country and abroad to be with her on April 29 when she receives this special acknowledgment of her remarkable life.

Finally, my statement would not be complete if I didn't make some mention of the other great force in her life. Her husband, Bob Muse, himself a great trial lawyer and a much decorated Marine Corps fighter pilot, has been her partner for 60 years. No one will stand prouder on April 29. He has been her source of strength and love—as she has been for him.

Judge Muse has served as an exemplar for others, men and women alike, who seek to achieve in this world while holding on to the values of family, friends, and community. She is a gentle and unassuming person whose modesty and Irish wit forbid her from reflecting on, or talking about, the great influence she has had on so many. But it is appropriate and right that others do so—and Boston College Law School does well to honor one of its most distinguished graduates.

#### NORTH KOREA

Mrs. FEINSTEIN. Mr. President, today North Korea formally withdrew from the Nuclear Non-Proliferation Treaty. Yet while the United States has marshaled its military, diplomatic, and political resources against Iraq over the past 6 months, too little appears to have been done with regard to

North Korea, which I believe represents the most imminent, serious, and dangerous threat facing the United States.

Over the past few months North Korea has: expelled International Atomic Energy Agency inspectors; moved 8,000 previously canned plutonium rods back to a reprocessing facility; started up its Yongbyon nuclear facility again; scrambled fighter jets to intercept a U.S. Air Force reconnaissance plane over the Sea of Japan; and, threatened to abandon the armistice that has been in effect since 1953.

We must face facts: North Korea, an isolated dictatorship, with a collapsed economy, controlled by its military, and in possession of nuclear weapons and the means to deliver them, represents a clear and present danger.

If the United States does not exercise leadership and seek a pragmatic approach to engaging North Korea—pragmatism that comes not from weakness, but from strength—we run the risk of disrupting strategic stability in the Asia-Pacific region, the most vital political, military, and economic region for the United States in the 21st century, and undermining our international credibility and global nuclear nonproliferation efforts.

North Korea is a quasi-Stalinist state which, since its formal creation in 1948, has been run by two men—Kim Il Sung, who died in 1994, and his son, Kim Jong Il. It is still almost entirely closed to the Western World, a stark and isolated country marked by repression and poverty.

The North Korean people have no access to outside sources of information, such as television or radio or the Internet.

The totalitarian discipline of the North Korean people is dramatically illustrated by the fact that North Korean infiltrators commonly commit suicide rather than allow themselves to be captured. Only in rare cases have they been captured before they killed themselves. That is a measure of fanatical devotion.

Second, the North Korean economy is increasingly isolated and stands, in my view, on the brink of collapse.

In many ways, North Korea is the "black hole" of Northeast Asia. Even before Russia and China curtailed their energy and food support in the 1990s, the North Korean economy was in freefall.

One measure of the dire straits facing the North Korean economy is the famine that has gripped that nation for the past decade. Largely created by gross human negligence, not natural causes, it has killed an estimated 2 million people since the mid-1990s. Although harvests have improved modestly in recent years, food shortages are still a serious problem.

In recognition of this problem, just last month Secretary of State Powell announced that the United States would provide 40,000 tons of food aid to the North—a modest level compared to recent years but significant nonetheless.

A second measure of the desperate situation facing the North Korean economy is the collapse of its energy sector.

North Korea's total electricity consumption in 2000 was only 65 percent of what it had been in 1991. North Korea has resorted to a rationing system for electricity and often experiences extended blackouts and power losses due to an antiquated transmission grid, and the North Korean agricultural sector is severely afflicted by a lack of diesel and power supplies, as well as spare parts and fertilizer.

Taken together, North Korea's continuing isolation, famine, and economic collapse constitute a humanitarian crisis, and act as a barrier to improving cooperation and engagement in Northeast Asia on a number of fronts—political, economic, and military.

In early October of 2002, Assistant Secretary of State James Kelly informed North Korean officials that the United States was aware that North Korea had a program underway to enrich uranium for use in nuclear weapons.

According to Secretary Kelly, with whom I have discussed this situation on several occasions, North Korea initially denied the allegations, but later confirmed the U.S. claim. In confirming that they had an active nuclear weapons program, they also declared that the 1994 Agreed Framework was essentially null and void.

Under the Agreed Framework, signed by North Korea and the United States: North Korea would freeze its existing nuclear program and agree to enhanced International Atomic Energy Agency, IAEA, safeguards; the United States would lead an effort to replace the DPRK's graphite-moderated reactors for related facilities with light-water, LWR, powerplants; the U.S. pledged to provide 500,000 tons of heavy fuel oil, HFO, annually until the LWRs were completed; both countries would move toward full normalization of political and economic relations; both sides would work together for peace and security on a nuclear-free Korean peninsula; and both sides would work to strengthen the international nuclear nonproliferation regime.

Implementation of the Agreed Framework was never perfect. None of those who negotiated it or worked to implement it were operating under the mistaken belief that North Korea was a "good actor." But the guts of the deal—international safeguards on North Korea's plutonium facilities in exchange for HFO and the construction of the LWRs—appeared to be intact until October 2002, when North Korean officials acknowledged the existence of a clandestine program to enrich uranium for nuclear weapons that is in violation of the Agreed Framework and other agreements.

With the Agreed Framework now null and void, North Korea may well