

EXPRESSING CONDOLENCES TO THE SENATOR FROM NORTH CAROLINA

Mr. DASCHLE. Madam President, over the last couple of days, the distinguished Presiding Officer lost her mother. I know I speak for all of us in the Senate, Republicans and Democrats alike, expressing our heartfelt sympathy. Our thoughts and prayers are with you and your family.

HUSSEIN'S WEAPONS OF MASS DESTRUCTION

Mr. DASCHLE. Madam President, I wanted to say a couple of words today with regard to an article that appeared on the front page of the New York Times entitled "Ex-Inspector Says C.I.A. Missed Iraqi Arms Chaos."

I ask unanimous consent that the article be printed in the RECORD.

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

[From the New York Times, Jan. 25, 2004]

EX-INSPECTOR SAYS C.I.A. MISSED IRAQI ARMS CHAOS

(By James Risen)

WASHINGTON, Jan. 25.—Americans intelligence agencies failed to detect that Iraq's unconventional weapons programs were in a state of disarray in recent years under the increasingly erratic leadership of Saddam Hussein, the C.I.A.'s former chief weapons inspector said in an interview late Saturday.

The inspector, David A. Kay, who led the government's efforts to find evidence of Iraq's illicit weapons programs until he resigned on Friday, said the C.I.A. and other intelligence agencies did not realize that Iraqi scientists had presented ambitious but fanciful weapons programs to Mr. Hussein and had then used the money for other purposes.

Dr. Kay also reported that Iraq attempted to revive its efforts to develop nuclear weapons in 2000 and 2001, but never got as far toward making a bomb as Iran and Libya did.

He said Baghdad was actively working to produce a biological weapon using the poison ricin until the American invasion last March. But in general, Dr. Kay said, the C.I.A. and other agencies failed to recognize that Iraq had all but abandoned its efforts to produce large quantities of chemical or biological weapons after the first Persian Gulf war, in 1991.

From interviews with Iraqi scientists and other sources, he said, his team learned that sometime around 1997 and 1998, Iraq plunged into what he called a "vortex of corruption," when government activities began to spin out of control because an increasingly isolated and fantasy-riven Saddam Hussein had insisted on personally authorizing major projects without input from others.

After the onset of this "dark ages," Dr. Kay said, Iraqi scientists realized they could go directly to Mr. Hussein and present fanciful plans for weapons programs, and receive approval and large amounts of money. Whatever was left of an effective weapons capability, he said, was largely subsumed into corrupt money-raising schemes by scientists skilled in the arts of lying and surviving in a fevered police state.

"The whole thing shifted from directed programs to a corrupted process," Dr. Kay said. "The regime was no longer in control; it was like a death spiral. Saddam was self-directing projects that were not vetted by

anyone else. The scientists were able to fake programs."

In interviews after he was captured, Tariq Aziz, the former deputy prime minister, told Dr. Kay that Mr. Hussein had become increasingly divorced from reality during the last two years of his rule. Mr. Hussein would send Mr. Aziz manuscripts of novels he was writing, even as the American-led coalition was gearing up for war, Dr. Kay said.

Dr. Kay said the fundamental errors in prewar intelligence assessments were so grave that he would recommend that the Central Intelligence Agency and other organizations overhaul their intelligence collection and analytical efforts.

Dr. Kay said analysts had come to him, "almost in tears, saying they felt so badly that we weren't finding what they had thought we were going to find—I have had analysts apologizing for reaching the conclusions that they did."

In response to Dr. Kay's comments, an intelligence official said Sunday that while some prewar assessments may have been wrong, "it is premature to say that the intelligence community's judgments were completely wrong or largely wrong—there are still a lot of answers we need." The official added, however, that the C.I.A. had already begun an internal review to determine whether its analytical processes were sound.

Dr. Kay said that based on his team's interviews with Iraqi scientists, reviews of Iraqi documents and examinations of facilities and other materials, the administration was also almost certainly wrong in its prewar belief that Iraq had any significant stockpiles of illicit weapons.

"I'm personally convinced that there were not large stockpiles of newly produced weapons of mass destruction," Dr. Kay said. "We don't find the people, the documents or the physical plants that you would expect to find if the production was going on."

"I think they gradually reduced stockpiles throughout the 1990's. Somewhere in the mid-1990's, the large chemical overhang of existing stockpiles was eliminated."

While it is possible Iraq kept developing "test amounts" of chemical weapons and was working on improved methods of production, he said, the evidence is strong that "they did not produce large amounts of chemical weapons throughout the 1990's."

Regarding biological weapons, he said there was evidence that the Iraqis continued research and development "right up until the end" to improve their ability to produce ricin. "They were mostly researching better methods for weaponization," Dr. Kay said. "They were maintaining an infrastructure, but they didn't have large-scale production under way."

He added that Iraq did make an effort to restart its nuclear weapons program in 2000 and 2001, but that the evidence suggested that the program was rudimentary at best and would have taken years to rebuild, after being largely abandoned in the 1990's. "There was a restart of the nuclear program," he said. "But the surprising thing is that if you compare it to what we now know about Iran and Libya, the Iraqi program was never as advanced," Dr. Kay said.

Dr. Kay said Iraq had also maintained an active ballistic missile program that was receiving significant foreign assistance until the start of the American invasion. He said it appeared that money was put back into the nuclear weapons program to restart the effort in part because the Iraqi realized they needed some kind of payload for their new rockets.

While he urged that the hunt should continue in Iraq, he said continue in Iraq, he said he believed "85 percent of the significant things" have already been uncovered,

and cautioned that severe looting in Iraq after Mr. Hussein was toppled in April had led to the loss of many crucial documents and other materials. That means it will be virtually impossible to ever get a complete picture of what Iraq was up to before the war, he added.

"There is going to be an irreducible level of ambiguity because of all the looting," Dr. Kay said.

Dr. Kay said he believed that Iraq was a danger to the world, but not the same threat that the Bush administration detailed.

"We know that terrorists were passing through Iraq," he said. "And now we know that there was little control over Iraq's weapons capabilities. I think it shows that Iraq was a very dangerous place. The country had the technology, the ability to produce, and there were terrorist groups passing through the country—and no central control."

But Dr. Kay said the C.I.A. missed the significance of the chaos in the leadership and had no idea how badly that chaos had corrupted Iraq's weapons capabilities or the threat it raised of loose scientific knowledge being handed over to terrorists. "The system became so corrupt, and we missed that," he said.

C.I.A. MISSED SIGNS OF CHAOS

He said it now appeared that Iraq had abandoned the production of illicit weapons and largely eliminated its stockpiles in the 1990's in large part because of Baghdad's concerns about the United Nations weapons inspection process. He said Iraqi scientists and documents show that Baghdad was far more concerned about United Nations inspections than Washington had ever realized.

"The Iraqis say that they believed that Unsc was more effective, and they didn't want to get caught," Dr. Kay said, using an acronym for the inspection program, the United Nations Special Commission.

The Iraqis also feared the disclosures that would come from the 1995 defection of Hussein Kamel, Mr. Hussein's son-in-law, who had helped run the weapons programs. Dr. Kay said one Iraqi document that had been found showed the extent to which the Iraqis believed that Mr. Kamel's defection would hamper any efforts to continue weapons programs.

In addition, Dr. Kay said, it is now clear that an American bombing campaign against Iraq in 1998 destroyed much of the remaining infrastructure in chemical weapons programs.

Dr. Kay said his team had uncovered no evidence that Niger had tried to sell uranium to Iraq for its nuclear weapons program. In his State of the Union address in 2003, President Bush reported that British intelligence had determined that Iraq was trying to import uranium from an African nation, and Niger's name was later put forward.

"We found nothing on Niger," Dr. Kay said. He added that there was evidence that someone did approach the Iraqis claiming to be able to sell uranium and diamonds from another African country, but apparently nothing came of the approach. The original reports on Niger have been found to be based on forged documents, and the Bush administration has since backed away from its initial assertions.

Dr. Kay added that there was now a consensus within the United States intelligence community that mobile trailers found in Iraq and initially thought to be laboratories for biological weapons were actually designed to produce hydrogen for weather balloons, or perhaps to produce rocket fuel. While using the trailers for such purposes seems bizarre, Dr. Kay said, "Iraq was doing a lot of nonsensical things" under Mr. Hussein.

The intelligence reports that Iraq was poised to use chemical weapons against invading troops were false, apparently based on faulty reports and Iraqi disinformation, Dr. Kay said.

When American troops found that Iraqi troops had stored defensive chemical-weapon suits and antidotes, Washington assumed the Iraqi military was poised to use chemicals against American forces. But interviews with Iraqi military officers and others have shown that the Iraqis kept the gear because they feared Israel would join an American-led invasion and use chemical weapons against them.

ROLE OF REPUBLICAN GUARDS

Dr. Kay said interviews with senior officers of the Special Republican Guards, Mr. Hussein's most elite units, had suggested that prewar intelligence reports were wrong in warning that these units had chemical weapons and would use them against American forces as they closed in on Baghdad.

The former Iraqi officers reported that no Special Republican Guard units had chemical or biological weapons, he said. But all of the officers believed that some other Special Republican Guard unit had chemical weapons.

"They all said they didn't have it, but they thought other units had it," Dr. Kay said. He said it appeared they were the victims of a disinformation campaign orchestrated by Mr. Hussein.

Dr. Kay said there was also no conclusive evidence that Iraq had moved any unconventional weapons to Syria, as some Bush administration officials have suggested. He said there had been persistent reports from Iraqis saying they or someone they knew had seen cargo being moved across the border, but there is no proof that such movements involved weapons materials.

Dr. Kay said the basic problem with the way the C.I.A. tried to gauge Iraq's weapons programs is now painfully clear: for five years, the agency lacked its own spies in Iraq who could provide credible information.

During the 1990's, Dr. Kay said, the agency became spoiled by on-the-ground intelligence that it obtained from United Nations weapons inspectors. But the quality of the information plunged after the teams were withdrawn in 1998.

"Unscam was like crack cocaine for the C.I.A.," Dr. Kay said. "They could see something from a satellite or other technical intelligence, and then direct the inspectors to go look at it."

The agency became far too dependent on spy satellites, intercepted communications and intelligence developed by foreign spies and by defectors and exiles, Dr. Kay said. While he said the agency analysts who were monitoring Iraq's weapons programs did the best they could with what they had, he argued that the agency failed to make it clear to American policy makers that their assessments were increasingly based on very limited information.

"I think that the system should have a way for an analyst to say, 'I don't have enough information to make a judgment,'" Dr. Kay said. "There is really not a way to do that under the current system."

He added that while the analysts included caveats on their reports, those passages "tended to drop off as the reports would go up the food chain" inside the government.

As a result, virtually everyone in the United States intelligence community during both the Clinton and the current Bush administrations thought Iraq still had the illicit weapons, he said. And the government became a victim of its own certainty.

"Alarm bells should have gone off when everyone believes the same thing," Dr. Kay

said. "No one stood up and said, 'Let's examine the footings for these conclusions.' I think you ought to have a place for contrarian views in the system."

FINDS NO PRESSURE FROM BUSH

Dr. Kay said he was convinced that the analysts were not pressed by the Bush administration to make certain their prewar intelligence reports conformed to a White House agenda on Iraq.

Last year, some C.I.A. analysts said they had felt pressed to find links between Iraq and Al Qaeda to suit the administration. While Dr. Kay said he has no knowledge about that issue, he did believe that pressure was placed on analysts regarding the weapons programs.

"All the analysts I have talked to said they never felt pressured on W.M.D.," he said. "Everyone believed that they had W.M.D."

Dr. Kay also said he never felt pressed by the Bush administration to shape his own reports on the status of Iraq's weapons. He said that in a White House meeting with Mr. Bush last August, the president urged him to uncover what really happened.

"The only comment I ever had from the president was to find the truth," Dr. Kay said. "I never got any pressure to find a certain outcome."

Dr. Kay, a former United Nations inspector who was brought in last summer to run the Iraq Survey Group by George J. Tenet, the director of central intelligence, said he resigned his post largely because he disagreed with the decision in November by the administration and the Pentagon to shift intelligence resources from the hunt for banned weapons to counterinsurgency efforts inside Iraq. Dr. Kay is being succeeded by Charles A. Duelfer, another former United Nations inspector, who has also expressed skepticism about whether the United States will find any chemical or biological weapons.

Dr. Kay said the decision to shift resources away from the weapons hunt came at a time of "near panic" among American officials in Baghdad because of rising casualties caused by bombings and ambushes of American troops.

He added that the decision ran counter to written assurances he had been given when he took the job, and that the shift in resources had severely hampered the weapons hunt.

He said that there is only a limited amount of time left to conduct a thorough search before a new Iraqi government takes over in the summer, and that there are already signs of resistance to the work by Iraqi government officials.

Mr. DASCHLE. The article begins with a paragraph that reads:

American intelligence agencies failed to detect that Iraq's unconventional weapons programs were in a state of disarray in recent years under the increasingly erratic leadership of Saddam Hussein, the C.I.A.'s former chief weapons inspector said in an interview late Saturday.

Mr. Kay, the head of our government's effort to determine precisely which weapons Saddam possessed prior to the start of the war, offered the view on whether Saddam actually had weapons of mass destruction. His quote:

I don't think they exist. The fact that we found so far the weapons do not exist—we've got to deal with that difference and understand why.

I also think it is important for us to understand why. On Saturday, Secretary of State Colin Powell held out the possibility that prewar Iraq did not

possess any weapons of mass destruction. That is quite an admission, given the Secretary's presentation to the United Nations, given his assertions publicly and privately to us and many others as the case for war in Iraq was made last spring.

These views are consistent with a report issued earlier this month by the nonpartisan Carnegie Endowment. The report by the Carnegie Endowment concluded that the assertion that the fundamental justification for the war with Iraq, namely that Iraq possessed stockpiles of weapons of mass destruction, was not real. Carnegie also concluded:

Administration officials systematically misrepresented the threat from Iraq's nuclear, chemical, and biological weapons programs and ballistic missile programs.

Given the conclusion by the Carnegie Endowment, we can only get to the bottom of this issue by thoroughly examining the performance of both the intelligence community and senior administration officials.

This has been quite a remarkable turnaround from the debate we had 4 or 5 months ago. During that debate, many of us proposed an independent commission to look at these issues. At that point, there was a debate about whether or not we had all the facts and whether or not the Intelligence Committee in the Senate was prepared to ascertain what the facts were.

But consider now the revelations that have occurred just in the last few days, much less the last several months. You have the Secretary of State reversing his public position with regard to weapons of mass destruction. You have the chief weapons investigator working for this Government publicly declaring that weapons do not exist and questioning whether they did exist at any time in recent years. You have the Carnegie Endowment, one of the most respected nonpartisan organizations that also reviewed the matter, coming to a similar conclusion.

The question comes now: What do we do about it? We can ignore it. We can hope it will just go away. Or we can investigate it, research it, try to learn from it to ensure that mistakes of this consequence won't happen again in the future. Unfortunately, it appears neither the administration nor the chairman of the Senate Intelligence Committee share this view.

According to Dr. Kay, he is stepping down in large part because the administration has reduced his team of analysts, translators, and interrogators working on the search for Saddam's weapons of mass destruction.

I cannot overstate the significance of these claims. They contributed directly to the decision to go to war last spring. As many of us have said on several occasions, this obviously wasn't the only motivation, but it was clearly a major part of this decision for many of us.

Since we made that fateful decision, over 500 Americans have been killed, over 2,000 have been wounded, and over

100,000 are still deployed in harm's way. In addition, published reports indicate the lack of evidence has badly damaged America's credibility around the world.

So given all of this, I cannot understand why we would not want to get to the bottom of this issue as quickly as possible. We should be dedicating more resources to getting these answers not less.

I am troubled too by the position of the chairman of the Senate Intelligence Committee. This committee has the obligation and the authority to examine both the intelligence community and the administration's role in the intelligence failures leading up to the war with Iraq.

Yet throughout all of the last session of Congress, the chairman steadfastly refused to permit the committee to meet its responsibilities. We are at the start of a new session of Congress now, with the advantage of a lot more information than we had weeks or months ago.

In the wake of the statements by Secretary Powell and Dr. Kay, and the conclusions of the nonpartisan Carnegie Endowment, I urge the chairman of the Intelligence Committee to reconsider his position and that of the majority.

We will work within the Intelligence Committee to urge the chairman to live up to those obligations. If he continues to fail to do so, we will again bring legislation to the Senate floor to establish a nonpartisan, independent commission to look at how intelligence was used by the intelligence community and this administration.

Our troops in Iraq and the American people deserve a full and comprehensive review of all aspects of their Government's actions prior to the start of the Iraqi war. I hope all members of the Intelligence Committee, and indeed the entire Senate, will work with us to give them just that.

Madam President, we will continue to come to the floor to review these matters and to express in the most determined way that it is the responsibility of this Senate to live up to its obligations—the Intelligence Committee, the other committees of jurisdiction, and the broad membership—especially when we become aware of revelations and conclusions drawn by experts in the field. We simply cannot afford to ignore what happened, why it happened, and how we can prevent it from happening again.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

PENSION FUNDING EQUITY ACT OF 2003

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 3108, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3108) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to temporarily replace the 30-year Treasury rate with a rate based on long-term corporate bonds for certain pension plan funding requirements and other provisions, and for other purposes.

Pending:

Grassley amendment No. 2233, of a perfecting nature.

Kyl amendment No. 2234 (to amend No. 2233) to limit the liability of the Pension Benefit Guaranty Corporation with respect to a plan for which a reduced deficit contribution is elected.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, during the last 3 years, we have seen too many good jobs leave this country, and Americans are ending up with lower pay for part-time jobs. Not only do these jobs pay much less, they are also much less likely to offer pension benefits. In fact, 3.3 million Americans have lost their pension coverage since 2000. In 2002, only 53.5 percent of our Nation's workers were participating in retirement plans, the lowest level in over a decade.

This means the degradation of jobs not only hurts Americans today, it will continue to hurt them for the rest of their lives and into their retirement and old age. Instead of adopting an every-worker-for-himself retirement policy, we should be encouraging the growth of secure pension plans for all workers. Fewer American workers than ever have a secure, defined benefit pension plan.

Only one in five workers today has a defined benefit plan compared with nearly 40 percent of workers in 1980. We must help low-wage workers and employees of small businesses, less than 10 percent of whom have pension coverage today.

Strengthening and expanding our pension system is our long-term goal. But first we must take the initial step of stabilizing the pension plans that exist today, which have been battered by the perfect storm of economic conditions over the last 3 years.

The amendment that Chairman GRASSLEY, ranking Finance Committee member Senator BAUCUS, as well as the HELP Committee chairman, Senator GREGG, and I have offered is a moderate bipartisan measure to address these short-term problems. This amendment does not weaken existing pension funding rules. These are only temporary measures designed to give companies and workers some breathing room, to take steps to further protect these pension plans.

An editorial in today's Washington Post expressed concern about our amendment and its effect on the PBGC and the American taxpayers. It is very important to respond to these concerns because they stem from some misconceptions about how our pension funding system works.

First, additional obligations of the PBGC will not put taxpaying Americans at risk. The Pension Benefit Guaranty Corporation, which ensures defined benefit plans, is a self-funded agency. It is not supported by taxpayer dollars; it is funded by premiums from employers and holds billions of dollars in assets.

Second, the PBGC's funding deficit, while serious, does not mean the agency cannot fulfill its mission. The PBGC has been in deficit before. The PBGC single employer program operated at a deficit for the first 16 years of its existence. The PBGC still holds billions of dollars in assets, and the agency reports that it has sufficient cash flow to cover benefit payments and other operating expenses and other liabilities for a number of years.

Also, the PBGC can and has operated at a surplus. During the Clinton economy, the PBGC not only shed its deficits, it gained a \$10 billion surplus. What is more, the PBGC's multiemployer program operated at a surplus for over 20 years—until this year. When our economy improves, the financial outlook of the PBGC will improve as well.

We were also concerned about overburdening the PBGC. That is why we limited the DRC relief to companies with healthy pension plans in 2000. These are companies that have been hit by terrible economic circumstances, from which we believe they will recover. Companies that receive the DRC relief will still be responsible for their regular pension contributions, and they will be restricted from increasing benefits, thus making pension promises they cannot keep. They will also be required to keep up with the costs of current benefits so they won't fall further behind in their funding levels.

Finally, not passing this pension legislation will subject the PBGC to much greater risk than it faces today. Without the crucial three pieces that our legislation includes—temporary replacement of the 30-year Treasury bond rate, targeted deficit reduction contribution relief, and funding relief to multiemployer plans—far more pension plans would terminate, which would place additional burdens on the PBGC.

We want to improve our pension funding rules to ensure that companies adequately fund pension plans. We want to encourage companies to put more money into their pension plans when times are good, instead of only penalizing them with increased contributions when times are bad. However, we must first address the perfect storm that is battering our pension plans today. Once we have adopted this short-term solution, I look forward to working with my colleagues to improve and strengthen pensions for all America.

I thought I would take a few moments to talk about this perfect storm that has adversely impacted the pension system, and also the challenges it presents to our economy generally.