

parliament, and that will not be finalized until April of next year, but the process has begun, and the votes, even among Iraqis in this country right now, are beginning today.

The country, as we think back just 2½ years ago, that was ruled by tyranny and despotism is, with the help of American and coalition forces, transforming itself into a hopeful and democratic society. That hope is being felt by the Iraqi people as they move forward, rebuilding and renewing their country.

In yesterday's widely reported new polling data, the Iraqis believe their lives are going well, with nearly two-thirds expecting that things will improve in the months and years ahead. Average household incomes have skyrocketed by 60 percent in the last 20 months, and Iraqis are quickly joining the swift current of modernity with cell phones and the Internet, cars, washing machines, and satellite dishes. Even ABC News, which commissioned the poll, rates the Iraqi mood at "a remarkable level of optimism."

In Thursday's elections, we will also have marked yet another milestone in their transition from dictatorship to democracy. Just in the past year, we have witnessed a series of truly extraordinary events. Last January, 8.5 million Iraqis defied the terrorists and marched to the polls. Who will ever forget the remarkable picture of Iraqis proudly displaying their purple-stained finger, citing that freedom, that ability to vote. They showed the world their readiness and eagerness to participate in a new system of government.

Throughout the summer, Iraq's leaders worked through the painful give-and-take process of drafting the nation's permanent constitution. Even though much of Iraq's Sunni Arab population boycotted the January elections, Iraq's elected officials worked hard to reach out and include the Sunni Arab representatives in the constitution-drafting process. They understood the importance of including leaders from all of Iraq's ethnic and religious communities in such a historic endeavor. As we saw by summer's end, their patience, compromise, and inclusion paid off. The draft they produced established the framework for a stable and democratic Iraq at the heart of the Middle East. Their new constitution safeguards individual minority rights, guarantees the protection of human rights, and creates a system of government based on the rule of law and the will of the Iraqi people.

In October, the Iraqi people turned out again, in overwhelming numbers, to ratify their permanent constitution. More than 10 million Iraqis across religious and ethnic lines went to the polls to demonstrate their growing desire to have their voice heard in a democratic political process.

Most of the increase in voter turnout came in Sunni areas of the country.

As the political process continues to unfold, Iraq's Sunni Arabs are coming

to recognize the importance of taking part in that democratic process.

Only through peaceful politics can the Sunni Arab community in Iraq ensure that its rights are secured, its interests protected, and its people represented at the national, provincial, and local levels.

Even though many Sunnis voted against Iraq's permanent constitution, the trend line of increased political participation among the Sunni population is heading up.

This morning, we were briefed directly from Iraq. The number of polling stations in the Sunni parts of the country are increasing dramatically day by day, much surpassing expectations.

More than 300 political parties and coalitions have registered for this week's elections. Candidates are campaigning, and the Iraqi people are again showing their willingness to defy terrorist threats and participate—and participate actively—in the political process.

As President Bush articulated in his speech yesterday in Philadelphia, Iraq is that central front in the war on terror.

Their move to democracy is essential to our shared victory over terrorism.

It is not going to be easy.

We face an enemy who targets innocent civilians with bombings and beheadings—an enemy who despises freedom, that fears democracy. They will bend every effort to derail Iraq's continued progress until they are ultimately defeated.

But I am confident the Iraqi people will succeed and that together we will prevail over the terrorist enemy.

Time and time again, the Iraqi people have shown their friends and their enemies that they are steadfast in their determination to secure a bright, peaceful, and prosperous future for their children and for their grandchildren.

They will do so again on Thursday, this Thursday, December 15.

I applaud President Bush for his unwavering commitment to freedom and liberty for the Iraqi people. I applaud the Iraqi people for their unwavering courage to secure their democratic future.

The United States will continue to stand behind them as they work to become a peaceful, a united, a stable, and a secure and more prosperous nation, a full member of the international community and a full partner in the global war on terrorism.

I yield the floor.

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

Mr. CRAIG. Mr. President, may I inquire as to the state of the Senate? Are we in morning business?

The ACTING PRESIDENT pro tempore. We are in morning business.

Mr. CRAIG. I thank the Chair. I will speak as in morning business.

#### CONTINUED DUMPING AND SUBSIDY OFFSET ACT

Mr. CRAIG. Mr. President, the leader, in opening the Senate this morning, said we would come to the floor later today to begin to debate motions to instruct the conferees on the budget resolution conference that is now underway and being negotiated between the House and the Senate.

Of course, that is critical to our going home—the process to finalize the work of the Congress this year. So for the next few moments, I wish to speak about two issues that are in that conference that will be a part of the debate this afternoon on the instruction of conferees.

The first one is what we call the Byrd amendment, also known as the Continued Dumping and Subsidy Offset Act.

To set the record straight, it is important to say that so people understand when I reference the Byrd amendment I am not talking about the Byrd rule as it relates to what can and cannot be inside the budget resolution but is, in fact, what Senator BYRD, I, and joined by others some time ago know as the Continued Dumping and Subsidy Offset Act.

As many Senators are aware, this amendment, the Byrd amendment, has had tremendous support in this body. In fact, in 2003, 70 Senators notified the President of our strong support for this provision. Further, just recently, 25 Republican Senators notified the majority leader of our strong opposition to any repeal of the Byrd amendment in the Deficit Reduction Act. I firmly believe those 25 Senators stand firm in their opposition to any repeal. A provision such as the Continued Dumping and Subsidy Offset Act that has so much support has no place whatsoever in the budget resolution or what we call the Deficit Reduction Act. However, some in this body are calling the Byrd amendment "corporate welfare." If people in this country call a provision that protects U.S. companies and manufacturers from intentional and illegal foreign dumping and in subsidies, so be it. You can call it anything you want, but that is the reality of the existing law. When foreign companies continue to dump and get subsidies even after an order goes into effect, the U.S. industry gets absolutely no benefit from that measure. The only way we can level the playing field in those instances is to prevent those duties to be distributed to the very American companies that are injured by those flagrant and illegal practices.

Some in this body would like to repeal the Byrd amendment because it has been estimated to result in \$3.2 billion in cost savings.

I have to tell you this estimate, in my opinion, is pure fabrication.

This year, for example, the Congressional Budget Office estimated that this act's provisions would come to \$800 million in fiscal year 2005. In reality, however, the figure was \$226 million. CBO's estimate was off by a factor of

three. That tells me that the 5-year estimate for 2006–2010 is grossly overestimated. Therefore, if we include repeal of the Byrd amendment to inflate budget-deficit reduction numbers, we are clearly not getting those cost savings, while at the same time injuring U.S. companies that are committed to preserving and growing manufacturing jobs in this country.

Finally, some have argued we must repeal the act because it is in violation of the WTO.

First, I believe this shows how far the WTO has overstepped their guidelines in placing obligations on our country we have never agreed to.

Second, there is nothing in any WTO agreement that specifies how countries must spend their dumping duty proceeds. If we must do anything with respect to WTO, we ought to tell Ambassador Portman, as the Senate has done many times in the past, to negotiate a specific agreement permitting duty distribution in the Doha Round. This is not the time to repeal this provision while our negotiators are still at the negotiating table.

I strongly urge my colleagues and the leadership to remove the repeal of the Byrd amendment from the Deficit Reduction Act. This is simply not the time nor the place for such an action.

Further, I urge my colleagues to fall in line and support a motion to instruct conferees to remove this repeal. Failure to do so will send a message to our injured U.S. companies and manufacturers that Congress is wearing rose-colored glasses and fails to see or act upon the evils of illegal dumping and foreign subsidies.

#### MILK INCOME LOSS CONTRACT

Mr. CRAIG. Mr. President, in speaking to conferees this afternoon in relation to the deficit reduction or the budget reconciliation process, this is an issue that, frankly, most Senators probably have not heard all that much about.

Everyone agrees that the reconciliation act, or Deficit Reduction Act, is an attempt by Congress to rein in spending and to build the appropriate budget in this climate. This legislation makes tough cuts in important programs in all areas of Government.

While nearly all programs are taking their lumps—if you will, sucking it up a bit—Congress is, ironically, considering increasing spending in a bill whose sole purpose is to decrease spending.

The Senate's version of the Budget Reconciliation Act, or Deficit Reduction Act, includes a provision renewing the Milk Income Loss Contract Program, also known as the MILC Program, which currently expired in September of this year.

The CBO has scored this renewal in costs to the taxpayers of \$1 billion over a 2-year period. In other words, half a billion a year. This deserves much more attention than it got in the Sen-

ate. The MILC Dairy Price Support Program was included in the 2000 farm bill to create a permanent direct payment program to the dairy producers. During the farm bill debate, USDA warned that the new program would run counter to the old dairy price support program in place since the 1940s.

Analysis by the USDA in August of 2002 concluded that the MILC Program would cause overproduction, thereby lowering farm prices to producers, forcing the government to purchase the excess until prices stabilized. However, Congress ignored the USDA warning and authorized the program to last until September of 2005, enough time to see dairy producers through the tough times back in 2002.

Now, after over \$2 billion in taxpayer-funded programs, some in the Congress have easily forgotten about the agreement to sunset a program. When we sunset a program it is the intent of Congress to conclude it.

Let me give some examples of how distorted it has become if the program is in support and in relation to production in our country. Idaho dairy production is now 4th in the Nation and one of the top economic drivers in the economy of my State. During the 2003–2005 period, Idaho received \$39 million in MILC payments, enough to be ranked 12th in total payments received in the program, yet they are fourth in production in the Nation.

In comparison, California received \$149 million over the same time, is ranked fifth in total payments and, of course, California is the No. 1 milk producer in the Nation.

There seems to be no relationship. I guess some hands are just too sticky to let money pass just because the law is 3 years old and ready to expire.

My point is this: It is important to understand just what this program does and what the \$1 billion for one program means in the overall picture. It has become market distorted. It provides little to no parity to all producers. It encourages inefficient overproduction in milk and it sends the exact opposite signal to our trade negotiators trying to sell the rest of the world on the idea that the United States is willing to cut domestic subsidies and amber box payments.

Regarding the WTO negotiations, our United States Trade Representative and USDA Secretary and many others are currently attempting to negotiate in the latest Doha Round getting started in Hong Kong as we speak. It is clearly important we send a message. It is also important when we sunset a program after having found out it is market distorting, we ought to do just that, instead of pump it up again while we are asking all other programs that are federally expended to reduce their overall expenditures, to reduce the budget deficit and to bring this budget under control.

I hope our conferees, as they negotiate the budget deficit reduction act, or the budget resolution, would decide

not to fund the MILC Program, adhere to the sunset provision provided and allow a program to die as this program effectively did by the sunset in September of this year.

Mr. President, I ask unanimous consent to have printed for the RECORD articles in opposition to the MILC Program and also an article from the Wall Street Journal.

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

DECEMBER 1, 2005.

DEAR REPRESENTATIVE: On behalf of the hundreds of thousands of senior citizens we support across America, I urge you to make every effort to be sure that MILC, the now defunct dairy farmer giveaway program is not resurrected through inclusion in Reconciliation, or any other measure. Costing roughly \$1 billion (actual outlays could again top \$2 billion), a new MILC program, once more propping up inefficient dairy farmers, should have no place in a budget that cuts spending on Medicare, Medicaid, and other key senior programs like LIHEAP. Outdated dairy farmer welfare has no business in what should be a free-market. MILC, and similar government intrusions into the dairy marketplace, cause instability and price spikes. If extended, MILC will once again (as the USDA admits) work in conflict with the federal milk price support system. Worst of all, the oldest and the poorest among us will suffer mightily to pay for the MILC giveaway to a select few dairy farmers.

It would truly be outrageous to create a new MILC program, or worse to have one included in reconciliation just to win passage! Just look at what that nearly \$1 billion in MILC giveaway money will buy:

Medicare—The House proposal would cut \$5 billion in Medicare funding over five years. The almost \$1 billion being proposed for the MILC boondoggle could restore Medicare funding and help provide better health care to some 140,000 elderly Americans.

Medicaid—The House proposal cuts Medicaid spending by \$11.4 billion, compared with \$4.3 billion in Senate cuts. That \$1 billion MILC giveaway could be better used to give over 248,000 of the poorest Americans access to health care through Medicaid.

Low Income Heating Assistance Program or LIHEAP—Through LIHEAP, that wasted \$1 billion in MILC money could help some 2,680,965 people cope with sky-rocketing heating bills. It could be their only chance to stay warm this winter.

Student Loans—At a time when student loan programs are being slashed (\$14.3 billion in the Senate and \$8.8 billion in the House), \$1 billion in special interest MILC funding could help our grandchildren attend college at a time when college costs are rising faster than inflation. The House cuts will cost each student up to \$5,800 more in interest and fees over the life of their loans.

Food Stamps—Adding the \$1 billion in MILC money to this important program that helps feed needy seniors would fully restore the \$800 million in Food Stamp funding cut by the House.

We believe the wasteful, expensive MILC program should be left to rest in peace, thus helping to keep needed senior health care and nutrition programs fully funded. As one recent Wall Street Journal Editorial, *Milking the Taxpayer* notes, the USDA identifies no less than a half-dozen support programs for dairy farmers. We urge you to oppose the same tired old politics of vote trading and ever more pork barrel largesse for just a handful of dairy farmers on the dole. Instead, we urge you to stand up for all of the seniors,