

I encourage the Administration to support the use of programs such as independent third-party procurement monitoring which have proven their value in reducing costs by deterring corruption and fraud, ensuring the quality of the goods and services provided, stimulating competition and free trade, as well as enabling U.S. business to compete more successfully.

FOREIGN POLICY: AN UNFINISHED AGENDA

Mr. KERREY. Mr. President, I have some good news, and I have some bad news.

First the good news: We won. The Cold War, that is. Now the bad news: We may find the burden of winning that war as heavy as the burden of fighting it. I say that is the "bad news," Mr. President, because it seems like bad news. But I believe it is both our destiny—a mantle that history has placed on our shoulders whether we like it or not—and an opportunity. The opportunity is this: the furnace in which American values are forged throughout the world is fiery hot, and its door is open.

That furnace will not be hot forever, Mr. President. Our triumph in the Cold War dissolved an empire and set free the nations that had been chained up by it. The totalitarian idea was stripped of the thin threads of legitimacy to which its aging adherents continued to cling. The birth of freedom—the opportunity to build new institutions of democracy and world stability—opened.

This furnace was hot, and still is, Mr. President, but the opportunity to build from the rubble of a fallen empire also brings turmoil. As what we hope are the transitional problems of economic instability, ethnic conflict, and proliferation of weapons of mass destruction cool and harden into habits, the door to that furnace of opportunity is closing.

America has learned before that the smoldering embers of victory contain the fires of reignited conflict. Once in this century we got it wrong. After the first world war, we made the fatal mistake of a vengeful peace. The result was a second world war, after which we got much more right, especially our leadership in rebuilding a crumbled world. Now, like then, we are weary of war's toll, but now, like then, we must bear the burden of leadership in victory. And we must do it while the furnace is hot and the opportunity right.

That, Mr. President, is why I am concerned that the 105th Congress is preparing to adjourn with too much foreign policy business left unfinished. The challenges we face around the world are burdens not just for this Congress, but for this country, for every American. The bell of leadership will toll for all of us, and we should not be surprised when it does. I want to outline just a few places where we may hear that call.

First, we face a global economic meltdown. Economies throughout the world are slowing and more uncertainty seems to arise everyday. Over the past year we have seen how instability in the Asian financial markets can quickly spread and undermine the stability of the global economy.

The impact has been devastating. Overnight, people in Asia and Russia have seen their entire life savings disappear. They have seen the chance to give their children an education and a shot at a better life evaporate. They have seen their standards of living plummet to the point where they must struggle to acquire basic necessities. Failure to act quickly to reverse the situation and promote global economic growth could consign an entire generation—who only months ago were on the verge of building a middle class—to a life of continued poverty.

We must know that global prosperity is not possible without a strong U.S. economy. I am pleased with the recent decision by the Federal Reserve to cut U.S. interest rates; although I admit I wish they would have cut it further. As the economic engine that drives the world, we must be prepared to take bold action to ensure world economic growth. Let me be clear, not only do we seek to improve the lives of people around the world through economic growth, we act with an element of self interest. A healthy global economy is the surest way to maintain a robust economy in the United States. As the farmers in my state know, without markets for U.S. products abroad, our own prosperity is threatened. Should this economic crisis deepen, should we start seeing credible signs of global depression, this Congress and the Administration must be prepared to act boldly to stimulate economic growth.

In that regard, I am pleased we are taking a proactive role in trying to prevent the economic crisis from spreading further to places like Latin America. We should continue to work cooperatively with other nations, like Japan, to assist them in implementing the kind of economic and legal reforms that will help them rebuild their economies.

Out of this crisis, we are also learning that economic instability leads to political instability. We see this in Russia, where financial shocks have created a political crisis which threatens Russian democracy. The situation in Russia demands our attention. As a nation with a capability to launch thousands of nuclear weapons, we cannot afford to allow Russia to slip into anarchy. I still believe the Russian transition will be successful, but it will be measured in decades, not years. We must be prepared to help the Russian people over the long run to create a democratic system based on the rule of law.

At the same time, we cannot allow the wealth of challenges we face both at home and abroad to embolden despotic leaders to flaunt international

standards. Recent missile tests by North Korea only too clearly demonstrate the need to remain committed to the security of our friends in Asia. It refocuses our attention on this troubled region.

A divided Korea is one of the few lingering vestiges of the Cold War. But a change there is inevitable. I see two potential scenarios on the Korea Peninsula. In the first scenario, North Korea will acquiesce to the tide of history, renounce totalitarianism, embrace democracy, and peacefully reunite with the South. In the other scenario, North Korea implodes into an irrational and dangerous nation threatening the peace and security not only of South Korea, but of the entire region. While we should strive to ensure the former scenario, we should prepare for the latter.

First, we should reaffirm our military ties with South Korea and Japan. The 37,000 American troops stationed in South Korea, and the tens of thousands stationed throughout Asia, should serve as ample warning of our intent to stand by our allies and respond to all threats. Second, we should continue to support South Korea as it rebuilds its economy and implements further democratic reforms. Finally, we must maintain our active containment of North Korea with the cooperation of all of our partners in the region.

As we remain vigilant in Korea, we cannot release the pressure we have built on Saddam Hussein's regime. We are all concerned about Saddam's unwillingness to live up to his agreements, to fully disclose all information on his weapons of mass destruction programs, and to cooperate with United Nations Security Council Resolutions and mandates. Iraq's refusal to cooperate with UNSCOM monitors can not be allowed to go unchallenged.

But ultimately, our success in Iraq will not come from winning a game of hide and seek with Saddam's weapons of mass destruction, but through the establishment of democracy in Iraq. We must change our policy from containment of Iraq to the replacement of Saddam Hussein with a democratic government. I am pleased legislation sponsored by Senator LOTT and myself—designed to set the Iraqi people on the path to self-government—was recently passed by both the House and the Senate. As Americans, we should strive for no less. This policy is both noble, and with our assistance, possible.

In the Balkans, recent election victories by Serbian hardliners in Bosnia once again raise concerns about the prospects for a lasting peace. While enormous progress has been made since the days of open warfare and ethnic cleansing, more must be done to assure that Bosnia will become a peaceful, multi-ethnic state.

Let us be clear, the chance for peace in Bosnia did not come from a sudden willingness of the warring parties to come together. It came from our willingness to use our own military power.

I am extremely proud of the men and women of the United States Armed Forces who have served in Bosnia as a part of IFOR and SFOR. Their ability to bring peace to Bosnia is the best example of the effectiveness of U.S. leadership in the world. We should not forget that before the U.S. military intervention in Bosnia, our nightly news was filled with images of the destruction of Bosnian villages; of men, women, and children being gunned down in the streets of Sarajevo; and of families being separated and never seeing each other again.

But because we acted—because men and women in America's armed forces put their lives on the line—the fighting was stopped, the Dayton Peace Accords were signed, and the people of Bosnia have been given the chance to return to a normal life. Ultimately, the success or failure of our efforts in Bosnia will be determined by the capability to fully implement the civilian components of the Dayton Accords and our ability to help the people of Bosnia establish democracy and the rule of law based on ethnic security.

However, just as we allow ourselves to be hopeful for the people of Bosnia, we see more senseless killing of innocent civilians in the Balkans. The situation in Kosovo—while different and perhaps more complex than Bosnia—presents another challenge. Once again, we are faced with the question: do we have the resolve to confront Serb aggression and to halt the spread of ethnic conflict in the region? In answering this question, we must heed the lesson of Bosnia—at times, the credible use of force precedes diplomacy.

Over the past few months, Serbia has been given ample warning by the international community that its policies of ethnic cleansing, indiscriminate destruction of villages, and brutality toward civilian populations would not go unchallenged. However, Mr. President, President Milosevic did not respond to the demands of the international community until NATO began serious consideration of military action. One of the reasons I voted for NATO enlargement earlier this year was my firm belief that the inclusion of Poland, Hungary, and the Czech Republic—nations that had only recently thrown off the yoke of dictatorial regimes—would make the Alliance more willing to act in defense of freedom. Therefore, I was heartened to see President Vaclav Havel providing leadership and insisting that NATO respond to Serb action in Kosovo.

I am hopeful that the agreement reached earlier this week will improve the prospects of peace in Kosovo and will avert the pending humanitarian crisis. But if we have learned one lesson in dealing with Slobodan Milosevic in the past it is this: believe his actions, not his words.

Mr. President, as I look out onto the world these are only a few of the foreign policy challenges we face. I come

before my colleagues today with a simple message: America must lead. But for America to lead, Congress must act.

First, Congress must ensure a strong national defense. I am pleased that we have passed both the Defense Authorization and Appropriations Bills, which in my opinion are two of the most important pieces of legislation we pass on an annual basis. The United States maintains the best equipped and most skillfully trained military the world has ever seen. This is not bravado, but a fact. A fact that should serve as a constant reminder to any nation contemplating a challenge to our interests. A strong American military, one that's ready to deploy and one that's backed up by the will of the American people, is a tremendous deterrent, and is likely to prevent conflict and the need for U.S. intervention.

Next, we must ensure that we maintain our intelligence capabilities. Americans should not suffer the illusion that we currently have the intelligence capacity to know everything that's going on in the world. We simply do not. We are not allocating enough resources to make certain our military is getting the intelligence it needs to identify threats and protect our national interests. But more importantly, we are not allocating enough resources to make certain policymakers are informed so that conflicts that might occur can be avoided. Mr. President, I believe we will not be able to allocate sufficient resources to our intelligence needs until we declassify the current budget and have a public debate about how we spend those dollars.

As I look at the legacy of the 105th Congress, I see many areas in which we have failed to provide the leadership necessary to guide the United States through these troubled times. We have left an unfinished agenda that we must confront in the 106th Congress.

Our first line of national defense is diplomacy. But we in Congress have spent far too little of our time and resources on ensuring we have a strong, well-financed diplomatic corps. In fact, as of today, the Senate has failed to act on over 20 State Department nominees—including over 15 nominations for ambassadorial positions. How can the United States represent its interests abroad without having our diplomatic representatives in place? Like our military, we should strive to make our diplomatic corps the envy of the world. I am convinced a strong diplomatic presence would reduce the chance of having to use our military forces.

In the same manner, Congressional refusal to provide funding to meet our international financial obligations puts a range of U.S. interests at risk. Currently, the United States owes over \$1 billion in arrears to the United Nations. At a time in which we are trying to strip Saddam Hussein of his weapons of mass destruction programs through the auspices of UNSCOM and the U.N. Security Council, it would be foolish to

believe that our failure to pay our debts does not impact our credibility. While I support efforts to reform U.N. operations, too often the payment of our arrears has been held hostage by those simply opposed to U.S. engagement in the world or by unrelated political debates. Former Secretary of Defense Frank Carlucci said it best: "One thing is certain—we can't reform the U.N. if we're the biggest deadbeat." It's time for the United States to act like the most powerful nation in the world, it's time for Congress to pay our debts to the United Nations.

This Congress has not done enough to promote arms control. Specifically, our failure to debate and ratify the Comprehensive Test Ban Treaty during this Congress has relinquished our historic role as the leader in the effort to end the testing of nuclear weapons. Mr. President, the American people overwhelmingly support the Test Ban Treaty because they understand ratification of the treaty will give us new tools to fight the proliferation of nuclear materials and technology and will help us better monitor compliance of other nations.

The nuclear tests conducted earlier this year by India and Pakistan highlight the danger that can arise when nations engage in nuclear brinkmanship. The potential consequences of increased tensions in the region arising from additional testing by India and Pakistan should cause each of us concern, and should elevate this issue to the top of our priority list. The recent declaration by the Prime Ministers of both India and Pakistan of their intention to join the CTBT offer hope that we can make this treaty work. When the 106th Congress reconvenes, the Senate must bring this treaty to the floor. We cannot insist that potential rogue nuclear states adhere to the precepts of the CTBT if the United States Senate gives it less time for debate than bills changing the names of airports.

I spoke earlier about the challenge presented by the global economic crisis. One of the few tools the international community has for extinguishing the sudden brush fires of global crisis is the International Monetary Fund. In response to the crisis, President Clinton requested \$18 billion to replenish the IMF's capital base. On two separate occasions, the Senate has overwhelmingly voted to provide this funding, sending a clear message of our belief that the threat to the prosperity of the American people is too great not to act. I am pleased with reports that the funding will be provided as a part of the FY99 Omnibus Appropriations Bill. While imperfect, the IMF is the only institution that pools the world's resources to address large-scale financial crises.

Finally, I was disappointed by our failure to renew fast track authority for the President to negotiate future

trade agreements. I believe it's unfortunate because without fast track authority it will be more difficult to negotiate reductions in non-tariff barriers throughout the world that would stimulate demand for American products and create jobs for American citizens.

I have outlined a heavy burden, Mr. President, one whose weight may surprise us. Many Americans thought we won, no doubt, and that the burden of leadership—along with the cloud of danger—had passed. We did win, Mr. President, our blood and treasure struck a tremendous blow for freedom. Our pride is not diminished by the fact that our work is not done.

Shortly before the Soviet Union fell, one of the great soldiers of the Cold War, General Colin Powell, met with General Jack Galvin—commander of NATO—to discuss threats to our security. General Galvin wore a worried look on his face as he plodded through threat after threat after threat that remained. General Powell responded: "Smile, Jack. We won."

Smile, Mr. President. But we must also steel our will. The burden of war is behind us. The burden of victory remains.

EXPORT-IMPORT BANK AND THE ENVIRONMENT

Mr. D'AMATO. Mr. President, I understand that my good friend and colleague from Alaska, Senator MURKOWSKI, chairman of the Senate Energy and Natural Resources Committee, has recently introduced legislation which would amend the Export-Import Bank Act of 1945 to assure that the United States is consistent with other G-7 countries in evaluating environmental concerns whenever the Bank undertakes project financing. I understand the Senator's concerns. However, I feel that this issue would be much better addressed with a full hearing. Adding this provision onto the Omnibus Appropriations bill without fully discussing it and analyzing its implications with a hearing, may not be prudent.

Mr. MURKOWSKI. Mr. President, my good friend from New York, the chairman of the Senate Committee on Banking, Housing, and Urban Affairs, Senator D'Amato, is correct. I have introduced a bill, S. 2537, to amend the Export-Import Bank's environmental provisions. The bill does two things. First, it directs the Ex-Im Bank to negotiate a multi-lateral agreement with the export financing agencies of all G-7 countries to address environmentally sensitive development overseas. Second, until such agreement is reached, my legislation would ensure that U.S. companies have access to Ex-Im Bank financing of overseas projects where other G-7 countries are providing or have indicated an intent to provide financing to the project in question without conditioning such assistance on environmental policies or procedures. The net effect of this law is to

impose unilateral sanctions on U.S. companies in the name of the environment.

I had intended to discuss this legislation as part of Senate action on trade issues, because the issue here is trade and competition. This year, however, trade legislation may only be adopted as part of the omnibus spending bill, or not at all.

Mr. D'AMATO. Clearly, my friend has raised a valid concern. Certainly, no member in the Senate is in favor of needlessly denying the necessary financing to a U.S. company, and allowing them to compete internationally, especially in light of the disproportionate levels of financing, and in some cases subsidization provided by many foreign governments to their domestic businesses. I share the Senator's concerns that the Bank not give any other country an unfair advantage when it comes to competing for jobs abroad. However, I am also concerned that this issue has not been addressed properly by the Senate Banking Committee, the committee of jurisdiction with regard to this issue. When ever the Bank considers financing projects abroad, there certainly should be consideration given to the effects on the environment. And additionally, the U.S. should continue to participate in negotiations with the rest of the international community which seek to establish some set of standards for all countries.

Mr. MURKOWSKI. Mr. President, I understand the concerns of the Senator from New York about this legislation, particularly because he is chairman of the committee with jurisdiction over the Export-Import Bank. And I agree that this matter is so important that it deserves the attention of the full Committee on Banking, Housing and Urban Affairs. Is the Senator saying that when the Senate reconvenes for the 106th session, the Chairman will schedule a hearing on my legislation at the earliest possible convenience?

Mr. D'AMATO. Mr. President, that is precisely what I am suggesting, and I appreciate the cooperation of the Senator from Alaska and his understanding on this matter.

Mr. MURKOWSKI. I thank my good friend from New York. As a result of his commitment on hearings, I will not attempt to include my Ex-Im legislation in the omnibus spending bill. I will look forward to working with the Chairman next year to address this important issue.

SOFTWARE COMPETITION

Mr. KERRY. As many of my colleagues are aware, on October 7, a coalition of prominent consumer groups released a study entitled "The Consumer Case Against Microsoft." The report reviews quantitative evidence, journalistic accounts of the software industry and evidence presented by the Department of Justice and the states Attorneys General in its discussion of four major areas of alleged attempts at

monopolization—operating systems, desktop applications, web browsers and electronic commerce. The report concludes that Microsoft has a monopoly in several important segments of the consumer software market and is likely to continue to use its market power to gain monopoly market share in other existing and developing markets. In addition, the report argues that Microsoft's business practices and monopoly status combine to deprive consumers of cost savings, quality and choice. These are important issues, and I hope the next Congress will further explore this matter.

Later this month, after we adjourn, the antitrust case against Microsoft will go to trial, and it may conclude before the next Congress convenes. During the course of this trial, the public will learn much about business practices in the software industry, and issues surrounding competition in the software industry will likely gain a higher degree of visibility. I commend all of my colleagues to monitor this trial and the questions that it may raise.

I also ask my colleagues to review the consumers groups' report along with any rebuttal which Microsoft may put forth. The issues raised in the report and during the trial may force Congress to examine whether existing antitrust law sufficiently addresses market abuses in the new digital age. They may also force Congress to consider new and important consumer protection and market dominance issues absent traditional antitrust examination. In the final analysis, we must strive to ensure that all consumers, large and small, are able to benefit from a vibrant and competitive electronic marketplace marked by innovation, competitive pricing and consumer choice.

MANUFACTURED HOUSING IMPROVEMENT ACT

Mr. SHELBY. Mr. President, due to an inadvertent oversight, Senator SUSAN COLLINS was not listed as a co-sponsor of S. 2145, the Manufactured Housing Improvement Act of 1998, when the Senate returned from August recess in September. I hope this statement in the CONGRESSIONAL RECORD will clarify Senator COLLIN's enthusiasm for S. 2145. I thank Senator COLLINS for her support of the bill.

PATENT AND TRADEMARK OFFICE REAUTHORIZATION

Mr. LEAHY. Mr. President, I am pleased that the Senate has passed the United States Patent and Trademark Office Reauthorization Act, Fiscal Year 1999, H.R. 3723. This bill, which passed the House of Representatives on May 12, 1998, is an important measure that would benefit all American inventors and would, for the first time in the history of the U.S. patent system, reduce patent fees.