Although Slobodan Milosevic announced last week that the agreement on Kosovo reached with ambassador Richard Holbrooke has eliminated immediate danger of war, the closing down of the independent media is still being carried out for, allegedly, spreading ''fear, panic and defeatism'' and undermining ''the people's readiness to safeguard the territorial integrity and sovereignty of Serbia.''

Milosevic's war against truth, which has been fought since the beginning of the breakdown of the former Yugoslavia, has continued on Kosovo. Intentions of the Belgrade despot are clear: He obviously does not want the threat of the NATO force he has brought to Serbia to receive media coverage at home, except that provided by government propaganda. Only that way can he conceal from the people who are already generally brainwashed by official propaganda, the fact that the agreement with Holbrooke represents no victory for Serbia (as claimed by the controlled media in Belgrade) but an ultimatum from the international community on the basic issues of Kosovo, which could have been resolved a long time ago—without war, victims, destruction, refugees and OSCE and NATO verifiers.

The British prime minister, Tony Blair, stated a few days ago that President Milosevic is deluding himself if he counts on using the latest breakthrough in the Kosovo talks as leverage to undermine the remaining political opponents in Serbia. This message from London sounds promising, but would serve even better if the free world were to confirm it by taking a few concrete steps.

The Cold War was a war for democracy, which America won without firing one single bullet. Would it not be ironic and tragic that lessons in democracy are to be given now by dropping NATO bombs on those still living in the times before the fall of the Berlin Wall?

Cooperation of the Belgrade regime could be secured only by threatening Milosevic with ''arguments'' from the commander of NATO, Gen. Wesley Clark. However, the agreement reached later (it would be a mistake to characterize it as a peace agreement; at best, it is a cease-fire) does not address at all the fundamental underlying problem of continuing political instability in Balkans—the lack of democracy in Serbia. In fact, the Kosovo agreement strengthens Milosevic's authoritarian power. He will now quickly establish full cooperation with international humanitarian agencies, while proclaiming at home that he has done his duty in suppressing the terrorist rebellion in Kosovo.

Friends of Serbia abroad often say that the Serbian people have to start helping themselves, before anyone else can help them on their road to democracy. That is true. But it is also true that the United States and, generally, the international community have up to now not paid the necessary attention to the existing democratic alternative in Serbia, nor have they offered them the necessary help required.

For example, in the agreement between Holbrooke and Milosevic, a condition is set that within nine months free and fair elections must be held in Kosovo, but it is not noted anywhere that the same regular elections in Serbia proper should be one of the conditions for its reentry into the international institutions.

Equally, the Clinton administration has for some time been advised to begin diplomatic isolation of President Milosevic, instead of providing him with the public image of an internationally recognized and respected leader. As the representatives of the Serbian democratic alternative said during their recent visit to Washington: ''Milosevic is the problem, not the solution for Serbia.''

There cannot be real solutions for the problems in Kosovo and Bosnia without democracy in Serbia, and there will not be democracy in Serbia as long as Slobodan Milosevic is in charge in Belgrade. The current media darkness over Serbia confirms that said fact.●

NOMINATION OF JAMES C. HORMEL

● Mrs. BOXER. Mr. President, I am deeply saddened that the Senate will adjourn for the year without approving the nomination of James C. Hormel to be U.S. Ambassador to Luxembourg. Mr. Hormel's nomination has been pending in the Senate, but it has never even been scheduled for debate.

Since James Hormel's nomination was favorably reported out of the Senate Foreign Relations Committee last year, many senators have asked the Majority Leader to schedule a debate and vote. Many have recognized Mr. Hormel's extensive knowledge of diplomacy, international relations and the business world, his outstanding record of service to his community and his nation, and his leadership qualities—all of which make him obviously qualified for the post to which he was nominated by the President.

James Hormel graduated from Swathmore College and shortly thereafter earned his Juris Doctorate at the University of Chicago Law School. He served for several years as the Dean of Students and Assistant Dean at the University of Chicago Law School. Since 1984, he has presided as Chairman of EQUIDEX, Inc., an investment firm based in San Francisco.

For the past 30 years, Mr. Hormel has been a dedicated philanthropist, generously working to support a wide range of worthy causes. For his unselfish acts of giving, he has received several awards and honors. In 1996, he was named Philanthropist of the Year by the Golden Gate Chapter of the National Society of Fundraising Executives.

On the local level, Mr. Hormel is an active member of the San Francisco community working with several important civic organizations. His current projects include the San Francisco Chamber of Commerce, the Human Rights Campaign Foundation, the San Francisco Symphony and the American Foundation for AIDS Research.

James Hormel has the necessary skills and talents to serve as an ambassador. He is clearly qualified to represent his country in Luxembourg. He has as clear a record of achievement and service as any ambassadorial nominee the Senate has ever considered.

But despite Mr. Hormel's impressive resume and the favorable recommendation of the Foreign Relations Committee, his nomination was not even given the courtesy of a debate by the full Senate. Why not? Any senator who questioned Mr. Hormel's qualifications to be ambassador to Luxembourg could have done so in a public debate on the Senate floor. That is every senator's right. That is the Senate's procedure. That is the Constitutional process.

Unfortunately, however, instead of a debate by the full Senate on the question of his nomination, Mr. Hormel himself was subjected to repeated accusations in the form of ''morning business statements'' and comments to the news media.

I can only say, Mr. President, that, in my view, the Senate failed to take up the nomination of James Hormel for the sole reason that he is gay.

The Senate should have debated and voted on this nomination. If it had done so, I am confident that Mr. Hormel would have been confirmed. But, because of the prejudice of a few individuals, James Hormel has been denied the opportunity to serve his country in a position at which I believe he would have excelled and made us all proud.

The failure to act on the nomination of James C. Hormel will forever be a blot on the record of this Senate.●

CONGRESSIONAL BUDGET OFFICE REPORT—S. 2500

● Mr. MURKOWSKI. Mr. President, I ask that the following report by the Congressional Budget Office on S. 2500 by printed in the CONGRESSIONAL RECORD for the information of all Members.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 14, 1998.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2500, a bill to protect the sanctity of contracts and leases entered into by surface patent holders with respect to coalbed methane gas.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Victoria V. Heid.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 2500—A bill to protect the sanctity of contracts and leases entered into by surface patent holders with respect to coalbed methane gas

CBO estimates that enacting S. 2500 would have no significant impact on the federal budget in the next five years, although it is possible that the legislation could result in a loss of offsetting receipts. Because the bill could affect direct spending, pay-as-you-go procedures would apply. S. 2500 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

In many parts of the west, ownership of the subsurface estate is split: the coal estate, oil and gas estate, and hardrock mineral estate may all be separately owned. Until recently, current law has been interpreted to associate coalbed methane (CBM) with the oil and gas estate. Thus, royalties from CBM production are paid to the owner of the oil and gas estate.

On July 20, 1998, the 10th U.S. Circuit Court of Appeals ruled that CBM is associated with the coal estate rather than the oil and gas estate. If upheld, this ruling would mean that where the coal estate and the oil

and gas estate are owned by different parties. CBM royalties now being paid to the owner of the oil and gas estate would instead be due to the owner of the coal estate. Where the federal government owns the coal estate but not the oil and gas estate, the federal government could begin collecting CBM royalties; where the government owns the oil and gas estate but not the coal estate, the government might have to cease collecting CBM royalties. According to the Department of the Interior (DOI), the former of these two cases would be common and the latter case would be rare. But because the ruling by the 10th Circuit Court could be appealed to the U.S. Supreme Court or could be contradicted by a ruling in a different circuit court of appeals, DOI will not consider collecting such CBM royalties until the interpretation of current law is clear.

S. 2500 would provide that, for any lease in effect on or before enactment of the bill that allows for CBM production and where the federal government retains ownership of the coal estate, existing lessees would continue to pay CBM royalties to nonfederal owner of the oil and gas estate.

For purposes of this estimate, CBO assumes that, in the absence of the bill, the current situation will continue for the foreseeable future—that is, the federal government will not collect CBM royalties on existing leases when it owns only the coal estate. Therefore, we estimate that enacting S. 2500 would not affect offsetting receipts from mineral production and any associated payments to states over the next five years. Another outcome is possible, however. If the ruling of the 10th U.S. Circuit Court of Appeals is subsequently upheld, enacting the bill could result in a loss of offsetting receipts that the federal government would otherwise collect for certain CBM production. CBO has little information about the size of the potential losses, but they could be less than $1 million or as much as several million dollars a year.

The CBO staff contact is Victoria V. Heid. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.●

A TRIBUTE TO SUSY SMITH

● Mrs. FEINSTEIN. Mr. President, I rise today to pay tribute to Susy Smith, who has served as my Legislative Director for nearly my entire Senate career. Her contributions to my legislative efforts have been without parallel, and she leaves with an impressive record of achievement and the profound respect of all who have been fortunate enough to work with her.

Susy is one of those unique people who knows how to make government work for its people. Her work in the Carter administration, along with her more than ten years as a top level congressional aide to Congressman Norm Mineta, Senator BARBARA MIKULSKI, and myself, have been a testament to both her talent and commitment to public service. Her quiet leadership, innate sense of judgment, and uncanny ability to stay on top of dozens of issues pending before the Senate made her an enormously valuable asset to my office.

Susy also possesses a deep and abiding faith in the American political process, and the role that Congress plays in our constitutional system of government. She has helped me imbue my staff with a sense of their duty to serve the people of California, together with the knowledge that the work we do here truly makes a difference in people's lives back home.

Susy has played a vital role in helping to pass some of my most important legislative initiatives such as the Desert Protection Act, the Assault Weapons Ban, and the Breast Cancer Research Stamp Act. In fact, over the past 5 years, Susy has put her indelible stamp on every piece of legislation that came out of my office. Her hard work has paid off not just for the people of California, but for the entire Nation—in safer streets, in more money for cancer research, in better health care for America's women, and in national parks that all of us can enjoy, to name just a few.

What stands out most about Susy is her wonderful ability to bring out the best of everyone. Her good judgement, great sense of humor, and supportive nature carried the staff through many tough battles, long days, and stressful times. She is not only a sharp political strategist and astute policy analyst, but a terrific manager and steadying presence in the office. I have appreciated her professional spirit and have placed much confidence in her decision making and perspective.

So it is with a deep sense of admiration, some sadness, and heartfelt good wishes that my staff and I say goodbye to Susy, secure in the knowledge that she will be just as successful in all her future endeavors as she has been working in the U.S. Senate.●

PATIENT PROTECTIONS

● Mrs. BOXER. Mr. President, I wish to express how disappointed I am that the 105th Congress has failed to act on legislation to increase protections for the millions of Americans whose health insurance benefits are managed by health maintenance organizations (HMOs).

The Patients' Bill of Rights legislation, which was introduced by the Democratic Leader, Senator DASCHLE, and cosponsored by me and most of my Democratic colleagues, was endorsed by over 180 organizations, including the American Medical Association, the American Nurses Association, and the AARP.

The Patients' Bill of Rights would have given protections to all 161 million privately insured Americans. It would have: Guaranteed patients access to emergency room services; ensured access to specialists for patients with serious or chronic conditions; given women direct access to the OB/GYN, and allowed them to designate their OB/GYNs as primary care doctors; allowed patients to appeal their insurance companies' decisions to an independent reviewer and receive timely decisions that would be binding on HMOs; protected doctors and nurses who advocate for their patients from being fired by an HMO; prohibit insurance companies from arbitrarily interfering with the decisions of doctors; ensured that doctors be able to decide which medications their patients should receive; and limited the ability of insurance companies to use financial incentives to get doctors to deny patient care.

It is unfortunate that the Majority Leader would not allow a vote on the Patients' Bill of Rights. But this fight is not over. Americans continue to demand that their HMOs be held accountable for putting profits ahead of patients. Supporters of the Patients' Bill of Rights continue to believe that doctors—not HMO accountants—should make medical decisions.

I urge the leadership of the 106th Congress, which will convene in January, 1999, to immediately schedule a debate and vote on the Patients' Bill of Rights, in order to secure basic patient protections for the 60 percent of all Americans who get their health insurance through HMOs.●

COLUMBIA UNIVERSITY LAW PROFESSOR RICHARD N. GARDNER

● Mr. MOYNIHAN. Mr. President, I rise to offer my congratulations to the former United States Ambassador to Spain, Richard N. Gardner who earlier this year received the Thomas Jefferson Award for his service during his tenure in Madrid.

Since its inception in 1993, the Thomas Jefferson Award has been given annually by American Citizens Abroad to the State Department employee who has ''done the most for American citizens overseas.'' After consulting American clubs, Chambers of Commerce, and individual Americans around the world, American Citizens Abroad announced in Geneva that Richard Gardner was this year's recipient. The Ambassador was commended for his assistance to U.S. business, his establishment of twenty new scholarships for young Spaniards to study in the States, and for his frequent and informed articles in Spanish publications.

Richard Gardner currently serves as the Henry L. Moses Professor of Law and International Organization at Columbia University Law School. He has spent a lifetime devoted to promoting international stability. He recognizes as only too few do the value of international law in the world.

I ask that his article ''Why U.N. Dues Aren't Optional'' from The International Herald Tribune be printed in the RECORD and with appreciation and admiration I extend my congratulations to Ambassador Gardner and his wife, Danielle, on this most splendid and deserved award.

The article follows:

[From the International Herald Tribune, Mar. 11, 1998]

WHY UN DUES AREN'T OPTIONAL

(By Richard N. Gardner)

NEW YORK.—A top priority for the Clinton administration is to persuade Congress to