

progress has been made possible by the umbrella of SFOR.

But the victory is not complete. In that context, I'm rather surprised that Secretary Rumsfeld juxtaposed Bosnia with the war on terrorism, because al-Qaeda is known to have cells in Bosnia. The Saudi Arabian who co-starred with Osama bin Laden in the grotesque video from Afghanistan, which nauseated the civilized world, had previously fought with the mujahedin in Bosnia.

Mr. President, extirpating al-Qaeda from Bosnia is reason enough to keep the three thousand American troops there.

I have been to Bosnia nearly every year since the outbreak of hostilities in 1992. I have talked with most of the leading politicians of all ethnic groups. I have visited the headquarters of the combined Muslim-Croat Federation Army outside Sarajevo and reviewed the troops there. I have met with local officials from Banja Luka and Brcko in the north to Mostar in the south. No one, Mr. President, no one - - thinks that the current peace and progress in Bosnia could survive a premature withdrawal of NATO, especially American, troops.

Rather than setting an artificial date for withdrawal of NATO forces from Bosnia, we should concentrate on finishing the job, and then withdraw victoriously.

Moreover, the United States is sending a totally confusing message to the world, friends and foes alike. The same week that we reopen our embassy in Kabul, and James Dobbins, our envoy to Afghanistan, declares that we are there to stay, we announce that we will leave Bosnia within twelve months!

How seriously can Afghans take Mr. Dobbins' declaration? Can the Afghans possibly think that we will stay the course there when we won't do it in the Balkans?

Or are we perhaps planning to transfer some American troops from Bosnia to peacekeeping duty in Afghanistan? I don't think so. Secretary Rumsfeld and others in the Administration frequently declare that peacekeeping duty is a poor use of the American military.

Unfortunately, however, the Administration's mantra runs afoul of the so-called Strategic Concept, the document which guides overall NATO strategy. The Strategic Concept lists ethnic and religious conflicts like Bosnia among the greatest threats to the Alliance.

If we're going to opt out of NATO peace enforcing missions, and we're going to exclude NATO from our anti-terrorist military campaigns as we have done in Afghanistan, then what does that tell our allies about our commitment to NATO? I suppose we'll agree to keep an American general as Supreme Allied Commander Europe.

Unfortunately, Secretary Rumsfeld's arbitrary deadline-setting in Bosnia fits right into the Administration's announcement that we will withdraw uni-

laterally from the Anti-Ballistic Missile Treaty with Russia, a decision whose folly I criticized on this floor less than a week ago.

This administration's foreign and defense policy is driven by ideology, not by a realistic threat assessment. A stable Europe is the precondition for our pursuing terrorists in Central Asia, the Far East, or the Middle East. Since we continue to preach "in together, out together" in the Balkans, what will we do if our European NATO partners point out twelve months from now—as is likely to be the case—that there is still need for SFOR to remain in Bosnia?

In that case the administration's theory will collide with the hard facts of reality. Whether reality or ideology will win out will be more than an academic question. The future, both of the Balkans, and of NATO, may depend on the answer.

The American people should recognize the risky gamble that Mr. Rumsfeld's rigid ideology asks us to embark upon.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, I wanted to comment to the chairman of the Foreign Relations Committee about how much I appreciate his leadership, how much of a privilege it has been for me to be a member of that committee, along with the distinguished Senator from Connecticut, another leader of the committee, and how much you have taught me and how much you have encouraged me.

With that background, I am going to Afghanistan on January 3, and I am really looking forward to bringing back a report to the committee that might be of value as we discuss the future of the coalition, keeping it together, of all of those countries in the region that we will visit, as well as for the future of Afghanistan.

I commend the chairman of the committee for how he has been so steadfast in his insistence for the role of women in the new Government of Afghanistan. Afghanistan has a history of having very prominent women in the professions. Of course, all that disappeared with the Taliban. It is time to reassert the rights of women and, particularly, in our case, to insist on that as they form the government. It is with a great deal of appreciation I say to my chairman and to the chairman of the subcommittee how much I thank them for their leadership.

#### TERRORISM INSURANCE

Mr. NELSON of Florida. Mr. President, I wanted to speak briefly on the subject of terrorism insurance because in the closing couple of days of this session, there is some question as to whether or not we will even get a bill. I want to say if we don't, that is a mistake. It is a mistake because to do

nothing would leave us in the condition that we are in now, where so many of the businesses and homeowners and automobile owners of America would be in a position of not knowing if they are covered by terrorism or not because a number of companies have already filed with the insurance commissioners of the 50 States, withdrawing terrorism as a risk that would be covered.

The flip side of that is where terrorism may be covered, and with no plan, the opportunity is ripe for the rates to go up considerably. Take, for example, the issue of Giant Stadium in the Meadowlands. I am told that they have upwards of a 400-percent to 500-percent increase in the rates. Is that a fair rate? Only the insurance commissioners of the 50 States would know, but an insurance commissioner has to determine if a rate is fair by looking at data and looking at experience.

In this particular case, we have precious little data or experience. Therefore, the insurance departments of the 50 States are simply not going to know or, even if they thought a rate was excessive and arbitrary, they are not going to be able to deny the rate because they can only deny it if they went into court and proved to a judge in an administrative law court, or in a court of law, that it was excessive. But they don't have those tools.

So what should we do? Well, let me say as a backup, if all else fails, and I hope it doesn't—and I am talking to the Senator from Connecticut, who is a leader; I want to talk about his bill—instead of us doing nothing, we ought to take a period of time and pass a bill that would say that the Federal Government will treat this as an act of war for this short period of time, and assuming the terrorism risk for insurance purposes, that there would be no rate hikes and there would be the guaranteed terrorism coverage on all the insurance policies—in other words, a moratorium on the cancellations that are going on right now on terrorism coverage, and a rate freeze on the rates that are presently being jacked up sky high in many cases.

That is what I would suggest that the Congress consider as a backup, but we should not have to get to the backup.

I want to talk to the Senator from Connecticut and the rest of the Senate to say that if we took a vehicle such as the Dodd-Sarbanes bill—it could be that or it could be the Fritz-Hollings approach but an approach that blends the risk being shared by insurance companies for the lower amounts, generally in a range of about up to \$10 billion of losses from a terrorist event, and above that the Federal Government would share in an 80-20 or 90-10 arrangement, depending on the size of the terrorism loss.

All of these bills have similarities. But what I would urge, and will urge if such a vehicle comes before the Senate by the offering of this amendment, is that there be a limitation on the

amount that the rates can be raised for terrorist insurance risk purposes and that part of the premium that would go to the terrorist risk would be set aside in the insurance company for accounting purposes from the rest of the premium so that we would know how much would be there, and if there were no terrorist loss, that could continue to be set aside for a catastrophe, which would include the terrorist loss. And—this is the part I am not sure those sponsors of the bill understand—even though I want to limit the rate increase, because I, indeed, think the rates are being raised using the September 11 horrible tragedy as an excuse to jack up the rates, nevertheless we have a responsibility to act, and we could limit those rate increases and, in the case that another terrorist event occurs and the loss were to occur, there is a portion of my bill on page 2 that would then have a surcharge on the policyholders up to the amount of the loss. That surcharge would be approved by the insurance departments of the 50 States.

In other words, since we would segregate the premium as allocated to the terrorist risk, and that limitation of the rates would be a 3-percent increase only, but if there were a terrorist event that exceeded an industry-wide—we are talking about \$6 billion of premium—then the surcharge would kick in. That is the part that I do not think those sponsors understand. They know I am a former insurance commissioner and I am quite concerned about rates being jacked through the roof and the consumer taking it on the chin, and that is why I wanted to come to the Chamber to speak. That is why I am so appreciative that the Senator from Connecticut is here.

I just got off the phone with the general counsel of State Farm, someone whose advice I valued over the 6 years I was insurance commissioner prior to coming to the Senate. I will be talking to several other CEOs and general counsel. This is, in part, what we have been talking about all along, and it is not something that insurance companies should think is an anathema to their position.

What is an anathema to their position is for them to gouge the public, the consumers, because it sets a limitation on the rates, but it is a fair way of approaching it. Clearly, at the end of the day, it is a way of protecting the businesses of America, the homeowners of America, and the automobile owners of America who, if we do nothing, are facing the prospect that insurance companies have withdrawn their coverage for a terrorist attack.

I thank the President for the opportunity to speak on this very important subject that is so important particularly at the eleventh hour of this session of Congress.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

#### NATO EXPANSION

Mr. WARNER. Mr. President, the Senators were advised by the Foreign Relations Committee through a hotline of the desire of the Senate to act on H.R. 3167. I have objected, and will continue to object, to the Senate considering this bill. It is a very significant bill, and I felt obligated to come to the Chamber and state to the Senate exactly why I object at this time in the few hours remaining in this session—I say a few hours, tonight and tomorrow—to proceeding to consider such an important document as this.

The document is an affirmation of a policy statement by President George W. Bush who said as follows on June 15, 2001, in a speech in Warsaw, Poland:

All of Europe's new democracies from the Baltic to the Black Sea and all that lie between should have the same chance for security and freedom and the same chance to join the institutions of Europe as Europe's old democracies have. I believe in NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings.

Basically, I share the President's view on that, but this particular document goes on and cites the following. It says:

Declarations of Policy by the Congress of the United States.

1. Reaffirms its previous expressions of support for continued enlargement of NATO alliance contained in the NATO Participation Act of 1994, the NATO Enlargement Facilitation Act of 1996, and the European Security Act of 1998.

2. Supports the commitment to further enlargement of the NATO Alliance expressed by the Alliance in its Madrid Declaration of 1997 and its Washington Summit Communiqué of 1999.

3. —

And this perhaps is the more significant declaration of policy.

The Congress endorses the vision of further enlargement of the NATO Alliance articulated by President George W. Bush on June 15—

That was the statement I just read—and by former President William J. Clinton on October 22, 1996, and urges our NATO allies to work with the United States to realize its vision of the Prague Summit of 2002.

My views are as follows. I think NATO—and I think every Member of this body shares this with me—has done a magnificent job for over a half century. It is perhaps the strongest and most effective alliance and accord in terms of security that this Nation has ever entered into.

Last year we had a very significant debate, and that is my basic problem; there is no urgency for this. This Chamber should resonate again with a strong debate on future membership in our NATO.

We had several days of debate last year. I put forward an amendment limiting the number of nations.

My concern is there are nine nations referred to in this particular document, all seeking NATO membership. That would be 9 plus 19, which would come to 28. The debate was in 1998. That is a very significant increase.

This document does not proclaim each is going to be admitted, but it gives a strong inference and overtone that could come to pass. As a matter of fact, it is authorization to the effect that certain sums of money—and I support each and every one of these authorizations for funds going to the nations to enable them to continue their efforts to increase their military, to strengthen that military, to enable that military to become an important part of the overall military collection of the NATO countries.

Before we speak to all nine indirectly and subscribe in whole to the President's policy, this body has a responsibility to examine each nation, to have a formalization from the administration and others as to which of those nations should be considered for inclusion in NATO, presumably in 2002. I see no urgency that we should proceed on a UC, without any Members except myself so far rising to address this.

I respect the chairman of the Foreign Relations Committee. He was in the Chamber, which prompted me to speak, hoping I could engage him.

The distinguished ranking member has communicated his desire to have this passed. I respect both of those fine Senators, but I think this deserves very careful consideration. We had hearings in the Foreign Relations Committee in 1998 regarding those members that desired to join. We had hearings in the Armed Services Committee, on which I am privileged to serve. I certainly encourage my chairman, Senator LEVIN, to have hearings on any thought with regard to increasing the size of NATO and specifically looking at those nations and providing our determination, as the committee, to the Senate as to the contribution they wish to make and the verification of the capabilities to make that contribution, both militarily and politically.

By the way, these authorizations are contained in the foreign operations bill such that they can go forward. It will not impede the distribution of these funds.

From time to time, Members put holds on matters. I take that obligation very seriously and come to state with some precision exactly why I take that step and will continue to do so for the balance of this session of the Congress, namely that it deserves the full attention of the Senate, preceded by a debate in the chamber with consideration by the two committees that have specific oversight of these matters.

#### ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, Senator DODD and Senator MCCONNELL are in the Chamber. I ask unanimous consent to speak for 3 minutes and at the conclusion of my remarks the majority leader be recognized for a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.