Gertz, who became president of the university in 1995, said in an interview that the land deal was made with Jean Ames only. The notarized sale agreement specifies that only she would have lifetime rights to the land. But numerous letters contained in Ames' files show that his wife intended that both of them be allowed to live out their lives there.

''If he's saying that I have no rights here at all, that's ridiculous,'' Ames said. ''We were dealing with splendid people at the university back then. And they made a provision for me that I could live here for the rest of my life.''

Ames and his wife lived together on the land until Jean Ames died in 2000 at age 92. Then, in May of this year, Ames was served with an eviction notice by the university, giving him nine days to vacate the property and ordering him to pay nearly $40,000 in back rent—$1,000 a month since the death of his wife. Ames said he was stunned and angry. He hired a lawyer and filed a civil suit against the university, saying he no longer wanted it to have his land. That case is pending.

Gertz said that following the death of Jean Ames, Russell Ames should have sent the university a letter asking permission to remain on the property. However, despite the eviction notice, Gertz said Ames would ''of course'' be allowed to stay on the property until he dies if he seeks university permission now.

Gertz said Sanger, Simpson and Barbato never asked the university's permission to live on the land, so they were trespassing and deserved to be arrested. But Ames said he believes the three Americans were jailed on trumped-up charges to intimidate him into leaving his property and dropping his civil suit.

''I hope this is a big bluff, but I'm scared,'' Barbato said.

MAKING AMERICA STRONGER

Mr. LIEBERMAN. Mr. President, in September I issued a major report on restoring U.S. manufacturing. I commend this report to my colleagues. It can be found at www.Lieberman.Senate.gov.

The collapse of our manufacturing sector is heart breaking. We have lost 14,00 manufacturing jobs in the last 3 months and 2.8 million since July of 2000. And this is during what is supposed to be an economic recovery. In terms of jobs, the U.S. manufacturing sector has slipped every month for the last 38 months. In my own State of Connecticut we have lost more than 14 out of every 100 manufacturing jobs in the past 3 years, and it is cold comfort that we are not the worst.

Our manufacturing sector is hemorrhaging jobs at a dismaying rate. And not just jobs but industries. Economists at the Federal Reserve Bank of New York recently published an analysis of the current ''jobless recovery.'' Their conclusion is stark:

''Our inquiry into the reasons for the current labor market slump suggests that structural change has played an important role. Industries that lost jobs during the recession have continued to shrink during the recovery, and permanent job losses have eclipsed temporary layoffs.''—''Has Structural Change Contributed to a Jobless Recovery?'' (Erica L. Groshen and Simon Potter)

As the report highlights, there are many reasons behind these closed plants, these lost jobs, these devastated families. Fierce competition from overseas competitors—some of them playing on fields tilted distinctly in their favor—has played a major role. So did the severe recessions we are only now climbing out of. The collapse of the telecom industry had severe consequences for manufacturers that served the electronics and information technology industries. This report discusses a number of challenges and problems facing American industry.

But the most imperative question remains, ''What does the Bush administration intend to do about it?'' Its recent acknowledgment of foreign country manipulation of their currencies is welcome, but the Administration is not utilizing its current authority to remedy this abuse; this is the key point of my legislation, S. 1592, the Fair Currency Enforcement Act of 2003, discussed in depth in this report. Creating an Assistant Secretary for Manufacturing and Office of Industry Analysis simply rearranges existing boxes, and submerges them deep in the Commerce Department. This report recommends making the Commerce and Defense Secretaries themselves responsible. Their plan remains lacking in content and vision. It is all about gestures, not actions.

Forgive me, but the time has come to be blunt. Every sector of the American economy plays a role in the strength and security of our nation, but the role played by manufacturing is unique, and uniquely important. To do nothing, to roll over and play dead, is not the American way. Sadly, it seems to be the approach favored by the current Administration.

The problems we face are complex, the response needs to be thorough, broad-based, and coordinated. That is what this report is really about. Here we present the broadest, most comprehensive and insightful plan to revitalize U.S. manufacturing yet proposed.

We need to understand that trade is not the problem, it is part of the solution. And we need to deal with the obstacles raised in some countries to a free and fair trade in American goods. We need to invest in the future of manufacturing, in the research and development of new, path-breaking manufacturing processes. We need to invest in our workforce, in the training and education needed to excel and prosper in a world labor market. We need to reinvigorate partnerships between state and Federal Government, and between government and industry.

Indeed, this is not a task for government alone. The proposals outlined in this report call upon industry and academia, upon labor and management, upon the private and public sectors to contribute to the solutions we need.

It will require all of us, pulling together.

I want to thank Michael Baum, along with William Bonvillian and Chuck Ludlam of my staff, for their efforts in preparing what I believe will be a useful and timely report.

AUDITOR INDEPENDENCE AND TAX SHELTERS ACT

Mr. BAUCUS. Mr. President, I rise today in support of Senator LEVIN's bill, S. 1767, the Auditor Independence and Tax Shelters Act. I am pleased to be an original cosponsor. The Auditor Independence and Tax Shelters Act compliments the legislation that I introduced last year, the Tax Shelter Transparency Act.

Just this year, the Tax Shelter Transparency Act has been passed by the Senate Finance Committee four times—in the Energy bill, the CARE Act, the Jobs and Growth bill, and most recently as part of the Jumpstart Our Business Strength Act. The same legislation has passed the full Senate three times—in the Energy bill, the CARE Act, and in the Jobs and Growth bill.

Senator LEVIN's legislation shuts down tax shelter promotion from the audit and financial statement side of the equation. Specifically, S. 1767 would strengthen auditor independence by prohibiting them from providing tax shelter services to their audit clients. The legislation would also reduce potential auditor conflicts of interest by codifying four auditor independence principles to guide the audit committees of the Board of Directors of a publicly traded company, when that committee is required by the Sarbanes-Oxley Act to decide whether the company may provide certain non-audit services to the corporation.

The proliferation of abusive tax shelters has been referred to as our nation's most significant tax compliance problem. The development, selling, and buying of tax shelters has also been characterized as a ''race to the bottom.'' The New York State Bar Association said ''the constant promotion of these frequently artificial transactions breeds significant disrespect for the tax system, encouraging responsible corporate taxpayers to expect this type of activity to be the norm, and to follow the lead of other taxpayers who have engaged in tax advantaged transactions.''

Simply put, this is unacceptable. It has been 2 years since the collapse of Enron. The Sarbanes-Oxley Act took significant steps to restore confidence in corporate America. But, when it comes to ensuring auditor independence, Sarbanes-Oxley did not go far enough. The passage of the Auditor Independence and Tax Shelters Act will help ensure that last year's corporate reform efforts have their intended effect of restoring real independence to the ''independent audit.''

This morning, the Senate Finance Committee held a hearing on tax shelters. We learned that the tax shelter problem is widespread. Tax shelter schemes are not just an Enron and Arthur Andersen phenomenon. They are