

TREASURY CONFERENCE

Mr. SMITH. Mr. President, I rise today to commend Treasury Secretary Paulson and his staff at the Treasury Department for convening the Treasury Conference on Business Taxation and Global Taxation. The purpose of this conference is to examine ways our current business tax system affects economic growth, job creation, and competitiveness. This is a very important issue that requires our immediate attention.

Today American companies compete in a global market. In the 1960s, trade in goods to and from the United States represented just over 6 percent of GDP. Today, it represents over 20 percent of GDP, a threefold increase. The U.S. role in the global economy also is quite different. Forty years ago, the United States was dominant, accounting for over half of all multinational investment in the world. Yet, today the United States economy represents 20 percent of global GDP.

However, our Tax Code has not kept up with the globalization of the U.S. economy. The rules are outdated and penalize U.S. economic interests by hindering American businesses' ability to effectively compete in our global economy.

The most significant demonstration of our Tax Code's inadequacies is the corporate tax rate. As Treasury stated in its conference materials, since 1980, the United States has gone from a high corporate tax-rate country to a low-rate country and back again to a high-rate country today. According to research done by the Tax Foundation, the United States has the second highest corporate tax rate in the OECD. The only country with a higher corporate tax rate is Japan. The U.S. corporate tax rate is higher than the rate in all European Union countries.

Furthermore, the United States is one of only two OECD countries that has not reduced rates since 1994—and one of only six OECD countries that have not reduced rates since 2000. According to KPMG, the average corporate tax rate in the European Union has fallen from 38 percent in 1996 to 24 percent in 2007. The United States has an average corporate tax rate of about 39 percent, including State level corporate taxes. The U.S. rate has not dropped recently. In fact, the last time Congress acted on the corporate tax rate, we actually raised it.

According to a recent Treasury study, a country with a tax rate 1 percentage point lower than another country's attracts 3 percent more capital. Therefore, this international trend of lower corporate tax rates is not surprising, and it is critical that the United States follow suit.

A high corporate tax rate is not good for American businesses—or our economy. A high rate deters corporate investment in the United States. It also incentivizes companies to shift their profits to lower tax jurisdictions. To attract businesses and profits to Amer-

ica, we need to lower our corporate tax rate.

This fall I plan to introduce legislation that will lower our corporate tax rate. I look forward to working with the administration and Congress in enacting this important reform. And I once again applaud the Treasury Department for examining our broken corporate tax code.

HONORING OUR ARMED FORCES

SERGEANT JOHN R. MASSEY

Mrs. LINCOLN. Mr. President, Arkansas lost another great young patriot last week when Sergeant John R. Massey of Judsonia, AR, died from combat wounds after an improvised explosive device detonated near his vehicle in Baghdad. Sergeant Massey was a member of the Arkansas National Guard's C Battery, 2nd Battalion, 142nd Fires Brigade based in Ozark, AR.

Sergeant Massey was remembered by friends and family as a good father who enjoyed playing with his kids, spending time with his family, and riding his Harley-Davidson motorcycle. Major General William D. Wofford also shared stories about Sergeant Massey's dedication to serve. According to the Arkansas Democrat Gazette, Wofford had been told by Sergeant Massey's father that he had always wanted to be in the military and that "this is the way John would have wanted to go out—as a soldier." A fellow soldier noted, "All you needed to tell him was when and where, and it would be done." In fact, Wofford recalled once asking Massey if he would like to give up his spot manning a .50 caliber machine gun in the turrets of his armored patrol vehicle. According to Wofford, Sergeant Massey said, "You can order me out of the turret . . . That's the only way I'm leaving." When it was all said and done, Major General Wofford said that "Sergeant Massey stayed in the turret until the very end."

Sergeant Massey was posthumously awarded the Bronze Star and Purple Heart, as well as the Arkansas Distinguished Service Medal. He is survived by his wife Amanda "Mandy" Massey; two daughters, Monica and Emily; son Joseph; mother Deborah Massey; and father Ray Massey; as well as other relatives and friends.

SPECIALIST ROBERT D. VARGA

Mr. President, I also rise to recognize SPC Robert D. Varga of Monroe City, MO, who died on July 15, 2007, from noncombat related injuries in Baghdad. Rob and his wife, Ellie Madder Stone, called Little Rock, AR, home and were married last year on September 5, 2006.

According to Specialist Varga's mother, Cecilia Varga, he was in the Army to serve his country and further his education. He came from a military family: his father served in Vietnam, grandfather served in World War II, and two brothers-in-law served in Iraq. Specialist Varga joined the Army in 2003 and was originally deployed as a

cook with the Headquarters and Headquarters Detachment, 759th Military Police Battalion. After his first deployment, he switched duties and trained with the military police. He was then assigned to the 984th Military Police Company in October 2005.

He received many military honors, including the Combat Action Badge, Army Commendation Medal, Army Good Conduct Medal, Iraq Campaign Medal, Global War on Terror Service Medal, Army Service Medal, Army Service Ribbon, and National Defense Service Medal.

Family members remembered him for his outgoing personality and his love of cooking and drawing. He is survived by his wife Ellie; his father and mother, Frank and Cecilia Varga; sisters Pamela Poelker, Carey Noland, and Amanda Reimann; paternal grandmother, Marge Varga; maternal grandparents, Glen and Charlotte Little, as well as numerous nephews and nieces.

THE CYPRIOT PEACE PROCESS

Mr. BIDEN. Mr. President, 1 year ago this month, the United Nations Under Secretary-General for Political Affairs, Ibrahim Gambari, presided over a joint meeting between the President of the Republic of Cyprus, Tassos Papadopoulos, and the head of the Turkish Cypriot community, Mehmet Ali Talat. Their discussions reaffirmed a commitment by both sides to forge a lasting peace on Cyprus and push forward with talks to that end.

In the months since that meeting, the Cypriot peace process has stagnated. The talks that both sides agreed to never took place, and petty disputes over bureaucratic issues have stymied progress on substantive negotiations. Simply put, the people of Cyprus deserve better.

A generation of Cypriots has now grown to adulthood estranged from their peaceful shared history and their promising shared destiny. I believe we must correct this wrong before others on the island endure a similar fate. Unless the peace process begins to move at a much faster pace, that may not happen.

In the last few days, there have been some signs of progress but also troubling indications that the paralysis of the past year might continue. President Papadopoulos invited Mr. Talat to discuss the peace process, a significant step in the right direction. However, Mr. Talat—after first accepting the invitation—later claimed that it was not the right time for a meeting. I sincerely hope he will change his view and that the resulting discussions will yield real results. Neither side can afford to engage in another round of foot-dragging. I do not want to look back in a year on another anniversary of missed opportunities.

Since 2003, there have been millions of peaceful crossings at the Green Line that segregates the island's two communities. Cypriots of all ethnicities