

Middle East. Statements by the U.N. Secretary General that imply U.N. oversight of U.S. military forces are indicative of U.N. arrogance and disrespect for U.S. sovereignty. The deployment of our forces to defend our national interests is not subject to the approval of the United Nations or any other multinational organization.

I intend to place before the Senate an opportunity for the body to state clearly the ability of the United States to make decisions about the deployment of its forces, without regard to, or prior consent from, the Security Council or any other international organization. I believe it is imperative that we make it clear that the United States will not cede any measure of sovereign control of its Armed Forces to the United Nations.

The Constitution charges the President with the duties of Commander in Chief, and it is time for this administration to defend America's interests with clarity and resolve. The drift and inconsistency that has defined this administration's Iraq policy over the last 6 years will only be perpetuated by subcontracting U.S. foreign policy to the United Nations.

If we continue to drift, Mr. President, the President of the United States will find himself asking permission of U.N. bureaucrats before he takes action to secure the interests of the United States. That cannot be allowed.

Mr. President, I yield the floor.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, March 6, 1998, the federal debt stood at \$5,525,824,113,483.61 (Five trillion, five hundred twenty-five billion, eight hundred twenty-four million, one hundred thirteen thousand, four hundred eighty-three dollars and sixty-one cents).

One year ago, March 6, 1997, the federal debt stood at \$5,538,686,000,000 (Five trillion, five hundred thirty-eight billion, six hundred eighty-six million).

Twenty-five years ago, March 6, 1973, the federal debt stood at \$454,901,000,000 (Four hundred fifty-four billion, nine hundred one million) which reflects a debt increase of more than \$5 trillion—\$5,070,923,113,483.61 (Five trillion, seventy billion, nine hundred twenty-three million, one hundred thirteen thousand, four hundred eighty-three dollars and sixty-one cents) during the past 25 years.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. KYL). Morning business is closed.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1997

The PRESIDING OFFICER. Under the previous order, the Senate will now

resume consideration of S. 1173, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1173) to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

The Senate resumed consideration of the bill with a modified committee amendment in the nature of a substitute (Amendment No. 1676.)

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, we are here ready to do business on the so-called ISTEA II legislation. There are a host of amendments out there which we would like to have brought up; either present them, or consideration to see if we can accept them, work out something, or, if not, go to votes.

But we are here to do business. The store is open. I very much hope that those who have amendments will bring them over.

I must say, Mr. President, if people who say they have amendments do not bring amendments over, I lose sympathy for them if later on they say they have amendments and they want time and so forth. Now is the time when nothing else is interfering with the action. So I urge my colleagues who are listening to please bring their amendments over so that we can deal with them.

Seeing nobody on the floor who wishes to present an amendment, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MURKOWSKI. Mr. President, I wonder if I may speak as in morning business for about 10 minutes?

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

ENFORCE OIL EMBARGO ON IRAQ

Mr. MURKOWSKI. Mr. President, although stories about Iraq have moved off page 1, history teaches us that we should be prepared for another crisis, and I will tell you why. Most of the previous debate on Iraq has focused on military options or support for opposition groups, but I am here to call the attention of my colleagues to an issue that seems to have been lost. Where is the will of the world to enforce the economic sanctions, including the embargo on oil sales, that date back to the end of Operation Desert Storm?

We must go back, I think, to the original purpose of the economic sanctions against Iraq and simply shut down Saddam Hussein's ability to fund his program for weapons of mass destruction. Because there is a signifi-

cant amount of oil that he is able to sell, and the proceeds are not going for humanitarian needs in Iraq; they are going into Saddam Hussein's pocket, and, as a consequence, he is fueling his military machine.

In my opinion there is only one way to shut down Saddam's military machine. We must effectively cut off the flow of oil from Iraq. I would like to share a few facts that my colleagues may not be aware of, but that are critical to the issue of how Saddam Hussein maintains his current grip on power. He does that by the cash flow generated from illegal oil sales.

Revenue from oil exports have historically represented nearly all of Iraq's foreign exchange earnings. In the year preceding Operation Desert Storm, Iraq's export earnings totaled \$10.5 billion with 95 percent attributed to oil exports, so that's really his cash flow. Iraq's imports during the same year, 1990, totaled only \$6.6 billion.

United Nations Security Council Resolution 687, passed in the 1991 at the end of the gulf war, requires that international economic sanctions, including an embargo on the sale of oil from Iraq, remain in place until Iraq discloses and destroys its weapons of mass destruction programs and capabilities and undertakes unconditionally never to resume such activities.

But the teeth in Resolution 687 have effectively been removed with the expansion of the so-called "oil-for-food" exception to the sanctions. The first loosening of the sanctions occurred in 1995, when Security Council Resolution 986 allowed Iraq to export \$1 billion in oil every 90 days—\$4 billion over one year.

And most recently, during the period when Saddam was again violating Security Council resolution by refusing to allow international inspectors to conduct their work, the United Nations voted to more than double the amount of oil Iraq can export per year.

On February 20, the U.N. Security Council, with the Clinton administration's support, adopted Resolution 1153 which will allow Iraq to export \$10.52 billion in oil per year—\$5.256 billion every 180 days. In other words, Iraq is now authorized to export nearly as much oil, in today's dollars, as it did before it invaded Kuwait.

So we have now given Saddam Hussein the green light to completely rebuild his oil export capacity. As Patrick Clawson, from the Washington Institute for Near East Policy, observed in a recent analysis of Resolution 1153:

The UN-authorized limit translates into 2.25 million barrels per day (mbd), if the price averages \$13 barrel. In addition, Iraq produces .4 mbd for domestic use and .2 mbd for export to Jordan and smuggling out the Gulf or to Turkey. That means Iraq would have to produce 2.85 mbd to make use of the full UN quota. In fact, it is unlikely that Iraq could produce more than 2.5 mbd today and it may take Iraq until the end of 1999 before it could reach a production level that takes full advantage of the UN-authorized export. In short, Iraq faces no effective limit

on its oil exports, because it is now permitted to export all the oil it is capable of pumping.

Mr. President, will the United States force Iraq to wait to rebuild its oil production capability until it meets the conditions imposed at the end of the gulf war? Quite the contrary. In fact, paragraph 12 of Resolution 1153 directs the Secretary General to establish a group of experts to determine whether Iraq has the production and transportation capacity to export the full amount allowed. The resolution goes on to say that the Security Council, "expresses its readiness" to authorize "the export of necessary equipment to enable Iraq to increase the export of petroleum or petroleum products."

Analyst Patrick Clawson correctly pointed out the dangers of allowing Iraq to resume the import of petroleum equipment:

Were Iraq to resume large-scale imports of oil field equipment, that would pose serious arms control problems. Not only is some of the equipment dual use (e.g., heavy trucks), but it is important to remember that Iraq disguised its "super gun" barrel as an oil pipeline, convincingly enough to mislead some of the "pipe" producers.

Even as President Clinton vowed to "keep the sanctions on" Iraq until the regime lives up to its commitments, we are creating a giant loophole for Iraq's most important commodity—oil.

Of course, expansion of the food-for-oil program is sold as a humanitarian gesture. U.S. Ambassador Peter Burleigh described the Security Council action as the "largest U.N.-sanctioned humanitarian program" in its history. I have no disagreement with finding ways to reduce the misery of the Iraqi people, who have suffered greatly under Hussein's leadership, but I do have a problem with the oil-for-food expansion, because I am not convinced it is controllable under the current U.N. proposal.

The administration has not yet convinced me that the monitoring of this program is so airtight that it does not allow kickbacks that benefit Saddam Hussein directly.

But even if the monitoring is airtight, Mr. President, I am convinced that the program indirectly benefits Saddam Hussein for several reasons.

First, using this program to feed his people and to provide medicine frees up other resources that can be used to finance his factories of death.

Second, the increase in illegal sales of petroleum products coincided with implementation of the oil-for-food program in 1995. Part of this oil is moving via truck across the Turkey-Iraq border. A more significant amount is moving by sea vessel through the Persian Gulf. The Multinational Interdiction Force that operates in the gulf reported last fall that exports of contraband Iraqi oil through the gulf has jumped sevenfold in the past year from \$10 million in diesel fuel sales in 1996 to \$75 million in 1997. Furthermore, Iraq has been steadily increasing exports of oil to Jordan, from 60,000 barrels per

day at the end of Operation Desert Storm to an expected 96,000 barrels per day currently.

An ABC News report in December of 1997 cited the Center for Global Energy Studies estimate that Saddam Hussein was generating \$300 to \$400 million a year from contraband oil sales.

Mr. President, these are illegal sales that have generated funds for Saddam Hussein's war machine.

I have absolutely no doubt that allowing Saddam to increase his oil production under the new resolution means that contraband oil exports will increase proportionately. It is this illegal flow of oil that is the lifeline that keeps his Republican Guards well fed and his weapons of mass destruction production program on track. A former head of Iraq's military intelligence, in an interview with ABC News, said that the dollars generated by smuggling "enable Saddam Hussein to support his intelligence services and the military to keep them loyal. That is how he stays in power."

Finally, Resolution 1153 does more than provide for humanitarian imports. It finances almost the full range of imports that Iraq would make were it not under the sanctions. Again quoting from Patrick Clawson:

In fact, UNSCR 1153, provides imports at about half the prewar level, putting the lie to the idea that Saddam is stuck in an ever-constricting "box."

He is not stuck in an ever-constricting box; the box is full of holes. The resolution provides for infrastructure improvements such as sewers and electricity—all activities that would normally be undertaken by the Iraqi Government. To the extent this U.N. action quells citizen discontent with Iraqi leadership, we are just prolonging the life of this horrible regime.

So why did the U.N. Security Council adopt Resolution 1153? I have a few theories about the motivation of the interested parties. For the Clinton administration, this may have been viewed as a counterbalance to the call for military action. I think it was counterproductive, but that was their decision.

But for other members of the Security Council, particularly those who oppose the use of military force—Russia, France and China—the motivation is clear. It is an economic motivation. As a recent Wall Street Journal article observed:

For Kremlin envoys, more than \$10 billion in contracts and debt is at stake in bringing an end to the United Nations economic sanctions against one of Russia's biggest trading partners. Indeed, even under the U.N. embargo, Russian oil companies such as NK Zarubezhneft and AO Surgutneftegas have been the prime beneficiaries of the "food for oil" program . . . Russia signed and delivered 36 contracts to supply pharmaceuticals worth \$100 million to Iraq hospitals under the U.N. deal.

The Wall Street Journal correctly observes that Russia's heavy industry would also benefit by supplying oil equipment, such as platforms and rigs,

to Iraq, as would Russian arms makers. Of course, some Russian companies have not waited for the end of sanctions. Iraq obtained several Russian gyroscopes used for aiming Scuds in 1995, and just last week we became aware that U.N. inspectors accused Russia of selling Iraq huge steel drums that could be used to produce biological warfare agents.

In spite of these actions by Russia, it was reported this weekend that U.N. Secretary General Kofi Annan was studying a Russian request to have a Russian named as codeputy chairman of the U.N. special commission overseeing the weapons inspections. I sincerely hope the United States will use its veto power to prevent this appointment in light of the obvious conflicts of interest.

I should note, Mr. President, that both China and France have similar conflicts of interest in that their close economic ties to Iraq have been in existence for some time, and their desire for Iraqi oil is well known. These have made them hard set against any military action for some time.

With the United Nations having now negotiated a deal with Saddam Hussein that appears in the short term to have sidetracked military options—and with members of the Security Council actively working to let Saddam Hussein off the hook—what can the United States do unilaterally to advance our national security interests?

I have some suggestions. First, the Congress should hold hearings to examine the impact of increased oil sales on Saddam Hussein's ability to stay in power. As chairman of the Energy and Natural Resources Committee, I would like to conduct these hearings jointly with the Senate Foreign Relations Committee and my good friend, Senator HELMS.

Second, the administration should keep our forces in the gulf region while we test whether this time Saddam Hussein means what he says.

Third, Congress should instruct the administration to pursue means to tighten the oil-for-food monitoring program and to develop measures that would prevent the illegal leakage of oil into the world marketplace. I submitted a resolution 2 weeks ago, Senate Concurrent Resolution 76, which would send that message to the administration. I plan to amend that resolution to reflect what is learned in congressional hearings, and I will ask the Senate to take action on that in the near future.

My resolution will call on the administration to consider the following options:

First, expanding the multinational interdiction force, the MIF, in the Gulf of Arabia and ensuring that the rules of engagement allow MIF forces to effectively interdict vessels containing contraband oil.

Second, using all diplomatic means available to ensure that other countries in the region are not aiding illegal oil exports in violation of the U.N. resolutions.

Third, inspecting all vessels leaving the Iraqi Port of Basra to ensure that the economic sanctions are not being circumvented. This type of blockade is justified under existing U.N. resolutions implementing economic sanctions. While it may sound like an extreme measure to initiate a blockade, I remind my colleagues that we have a blockade of the airspace over that part of the country, which we have taken the initiative to enforce.

Fourth, and finally, entering into negotiations with oil-producing nations to encourage them to make subsidized oil sales to Jordan so that the Iraqi-Jordanian flow of oil can be shut off.

Taken together, all these measures will serve to increase Iraq's economic isolation and provide a deterrence to illegal actions. This is an approach we used successfully in confronting the former Soviet Union, and I think we should return to it right now.

Again, oil is the key to controlling the future military capability of Iraq. We must control it if we are ever going to contain Saddam Hussein.

Mr. President, that concludes my remarks. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. NICKLES. Mr. President, I rise, one, to compliment my colleague, Senator MURKOWSKI from Alaska, for his speech in talking about the United Nations and their increase of the flow of oil. I want to make a couple comments about the administration's handling of the latest crisis with Iraq and express my very strong displeasure with the administration, because I do not think they were very open with Congress.

I met with Secretary of State Albright, Secretary of Defense Cohen, National Security Adviser Sandy Berger, and Chairman of the Joint Chiefs of Staff General Shelton on numerous occasions when we were debating what our reaction should be to Iraq's noncompliance with the U.N. resolutions allowing arms control inspectors to investigate whether or not they were building up munitions of mass destruction. I know the Senator from Arizona sat in on several of these meetings.

As you know, we were in the process of building up armed forces. We were very close to having a military strike. Some people were suggesting different alternatives. The Senator from Alaska said, "Well, maybe we should curtail the flow of oil. We have a program that is called oil for food that has been going on for years now. Maybe if we tighten that up, it would put an economic squeeze on the Iraqis and maybe they would change their behavior and maybe we wouldn't need to drop bombs

to have Saddam Hussein realize the errors of his way and that he needs to comply with the U.N. resolutions."

I told the Secretary of State that I was upset about the fact that our international coalition has dissipated, if not disappeared. The only real strong supporter we had in this entire venture was Great Britain. We did not have strong, at least visible support, or audible support from the Saudis or from Turkey. We did not have access to the bases in those countries for bombing purposes if there was an airstrike. That bothered me a lot.

But what bothers me as much now, when we were discussing different options in lieu of a military strike, and one of the options was curtailing the flow of oil that was discussed in this Capitol with leaders of our Government, our leaders did not tell Congress that they had already agreed in the Security Council, or they were working on an agreement in the Security Council, on February 20, to more than double the amount of oil that would be used in this oil-for-food program—more than doubled.

Actually, they go from \$2 billion every 6 months to \$5.2 billion. They did not tell us that. Most people were not aware of the fact that before the Secretary General flew to Baghdad for his effort to avert or stop the airstrikes and achieve compliance, 2 days before, the U.N. Security Council had raised the amount of the oil-for-food program and more than doubled it. We had those sanctions on since 1991. We restricted the flow of oil to that specific amount of \$2 billion for every 6 months, and then all of a sudden, just when we are getting ready to maybe have airstrikes and the U.N. Secretary General was going to go to Baghdad to negotiate a deal—he did not use it for leverage, we basically gave them the carrot—we gave him that incentive before he went to negotiate.

It just happens to be a coincidence? I do not think so. And why wasn't the administration forthcoming to Members of Congress and say, "Well, we've already done this," or "We are now negotiating the U.N. Security Council to do this." They did not do that. They did not tell this Senator, they did not tell other Senators that they were in the process of doing it, and that bothers me. It bothers me a lot.

I for one had serious misgivings, as I know other Members of this body did, on how far we should go in response and how much of a blank check this Congress should give this administration in dealing with Saddam Hussein, but for them to not tell the Congress or the American people, and the fact that the increase in this oil-for-food program was going forward at this very critical time—just a coincidence, I guess—is more than an oversight. It is a very serious mistake. A very serious mistake in dealing with Congress and a very serious mistake in our foreign policy as well.

So I compliment my colleague from Alaska for bringing this to our atten-

tion. And I wish to bring it to the administration's attention that some of us might have been willing to say, hey, let us use the oil-for-food program as an incentive to get him to comply. I do not think we would have said, let us give it to him, and then hope that maybe he would agree with the Secretary General. Maybe the deal was already cut before the Secretary General left. We have not heard that, but maybe that was the case. But in any case, I think the administration was not very forthcoming with Congress. And that is not a very positive sign.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, seeing no other Senator seeking recognition, I ask unanimous consent to speak briefly for 5 minutes.

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

Mr. MURKOWSKI. I thank the Chair.

TAIWAN MOVES CLOSER TO WTO ENTRY

Mr. MURKOWSKI. Mr. President, I rise today to call my colleagues' attention to the recent conclusion of the bilateral trade negotiations between the United States and the Republic of China on Taiwan. I think it is significant because it is this event that moves Taiwan one step closer to entry into the World Trade Organization.

This event has particular significance to me because I was a member of the Foreign Relations Committee in 1990 when Taiwan first applied for membership in the General Agreement on Tariffs and Trade, the predecessor organization to the World Trade Organization.

Then chairman of the Foreign Relations Committee, Claiborne Pell, and I and a number of others initiated a letter to President Bush, signed by 13 members of the Foreign Relations Committee, urging our Government to support the formation of a working group on Taiwan's application to GATT. A similar letter to the President, initiated by then chairman of the Finance Committee Lloyd Bentsen and ranking Republican Bob Packwood was signed by 20 members of the Senate Finance Committee.

Mr. President, I am gratified that Taiwan and the United States have reached this important milestone in our bilateral relationship. I also congratulate Taiwan for committing to adopt WTO principles at this time, particularly when many countries in the region are questioning the merits of opening doors and providing freer access to their domestic markets. Taiwan, once again, is serving as a model for the region.

Last week, members of the Finance Committee had an opportunity to meet with the U.S. Trade Representative, Charlene Barshefsky, to discuss this