

privatizing depot maintenance, ending "Buy American" restrictions, and ending pork-barrel spending—that I have long supported would free up nearly \$20 billion per year which could be used to begin our long-needed military transformation.

We are waging a war against a new enemy and at the same time undertaking a long-term process to transform our military from its cold war structure to a force ready for the challenges of tomorrow. A lack of political will had previously hamstrung the transformation process, but the President and his team have pledged to transform our military structure and operations to meet future threats.

The reorganization of our armed services was an extremely important subject before September 11, and it is all the more so now. The threats to the security of the United States, to the very lives and property of Americans, have changed in the last decade.

In the months ahead, no task before the Administration and the Congress will be more important or require greater care and deliberation than making the changes necessary to strengthen our national defense in this new, uncertain era. Needless to say, this transformation process will require enlightened, thoughtful leadership, and not the pork-barreling of military funds if we are to best serve America in this time of rapid change in the global security environment.

I look forward to the day when my appearances on the Senate floor for this purpose are no longer necessary. I reiterate, over \$900 million in unrequested military construction projects were added by the Committee to the defense appropriations bill. Consider how that \$900 million, when added to the savings gained through additional base closings and more cost-effective business practices, could be used so much more effectively.

The problems of our Armed Forces, whether in terms of force structure or modernization, could be more assuredly addressed and our warfighting ability greatly enhanced. The American taxpayers expect more of us, as do our brave servicemen and women who are, without question, fighting this war on global terrorism on our behalf.

But for now, unfortunately, they must witness us, seemingly blind to our responsibilities at this time of war, going about our business as usual.

SUPPORT FOR OUR TROOPS

Ms. STABENOW. Mr. President, I rise today to indicate my resolve that our men and women in uniform have this Senate's full support in whatever actions might be taken regarding Iraq and in our ongoing war against terrorism.

The question has never been whether Saddam should be disarmed but rather how best to accomplish that goal.

I was pleased to join with my colleagues, Senator CARL LEVIN, Chair of

the Armed Services Committee, Senator BOB GRAHAM, Chair of the Intelligence Committee, and Senator DAN INOUE, Chair of the Defense Appropriations Subcommittee in supporting a resolution that focused on the creation of an international coalition to enforce a tough inspection regime with real deadlines for Saddam along with the authorization of force to disarm him in cooperation with our allies through the United Nations.

But that is not the approach that was passed by this body. I hope President Bush will wisely use the broad powers that Congress has given him. I continue to hope he will take the time to assemble a worldwide coalition—ready to use force if necessary—that will convince Saddam he has no choice but to disarm.

But we have had the debate. We have had the vote. And it is time for Congress to show there are no Democrats and no Republicans when it comes to supporting our troops.

We have shown that support by quickly passing the Defense appropriations bill. This ensures our troops will have the most up-to-date weapons, fast-moving logistical support and the best pay and benefits of any armed forces in the world. This is essential to support these patriots and their families at home.

This bill does that by boosting defense spending to more than \$355 billion for the fiscal year that began Oct. 1—a \$34.4 billion increase over last year. This new spending will help not only with any action against Iraq, but also in honoring our commitments around the world in the global fight against terrorism.

It is important to recognize that this bill includes nearly \$94 billion to provide for a 4.1 percent pay increase as well as full funding of all authorized benefits for all military personnel.

I think all of us agree that war should always be our last choice.

But, if it comes to that last resort, I promise that I will do everything within my power to ensure that our armed forces have the weapons and materials they need to defeat any enemy and expose our troops to the least possible risk.

We have to remember that it is not just Iraq that poses a threat. We still have troops in Afghanistan and the Philippines. We have seen new terrorist attacks in Kuwait, Bali and against a French oil tanker. The war against terrorism is far from over and our troops need support in that battle as well.

Upon our Nation's shoulders have fallen staggering duties as the world's sole remaining superpower. But Americans already stand on the tall shoulders of our own history and we do not shrink from these burdens.

I believe that if we stand tall for our ideals the world will follow and we can disarm Iraq and defeat world terrorism as part of a broad coalition of allies.

If our country acts alone, our men and women in uniform must always

know that their Nation is united behind them in gratitude for their service, in pride of their dedication to duty and in awe of their bravery.

I yield the floor.

U.S. TRADE LAWS

Mr. BAUCUS. Mr. President, I would like to engage in a colloquy with the Senator from West Virginia. On May 23, during the debate of the trade bill, Senator ROCKEFELLER spoke on some of the provisions in the Trade Promotion Authority provisions relating to trade remedy laws. There has been continued discussion of these issues over the past several months, so I would like to take this opportunity to clarify that the points we made in discussing the Senate bill apply equally to the Conference Bill.

Section 2102(b)(14) of the TPA bill states that it is a "principal" U.S. negotiating objective to preserve, in all trade negotiations, the ability of the United States to enforce rigorously its trade remedy laws and to avoid any agreement that would require weakening of the current U.S. antidumping, countervailing duty and safeguard remedies. The Committee on Finance regards strict adherence to this directive as critical in advancing the economic interests of the United States in future trade agreements.

The directive encompasses any weakening of the existing remedies, whether at the level of statute, regulation or agency practice. This means that the Administration must reject any new international rule or obligation whose acceptance would lead to relief under our existing trade laws becoming more difficult, uncertain, or costly for domestic industries to achieve and maintain over time.

I want to highlight again some examples of new international obligations that have been proposed by WTO members, and that would obviously result in a weakening of U.S. trade laws and therefore must be rejected under the standard set out in section 2102(b)(14).

These include:

No. 1, a "public interest" rule politicizing and encumbering the administrative processes under which trade remedy laws are currently applied;

No. 2, a requirement to exempt from trade remedy measures items alleged to be in "short supply" in the domestic market;

No. 3, a "lesser duty" rule limiting antidumping and countervailing duties to some amount less than the calculated margin of dumping or subsidy, such as the amount supposedly necessary to offset the injury;

No. 4, any extension of faulty dispute resolution models such as Chapter 19 of the NAFTA;

No. 5, changes to the rules for "sunset" reviews of antidumping and CVD measures which would make it more difficult to keep relief in place;

No. 6, additional constraints or criteria for dumping calculations, in areas

where current WTO rules and U.S. law vest discretion in the administering authority; and

No. 7, special rules and standards that would make it easier for a particular group of countries, such as developing countries, to utilize injurious dumping or subsidies as a means of getting ahead in international trade.

Mr. ROCKEFELLER. I agree, and I also want to clarify that section 2102(b)(14) is a “no weakening” provision, and not a “no net weakening” provision. In other words, it encompasses any new international obligation whose acceptance would impair current U.S. trade remedies by making relief costlier, more uncertain, or otherwise harder to achieve and maintain over time. An agreement that includes such changes must be rejected, and it is no answer, insofar as section 2102(b)(14) and the intent of the Congress is concerned, to contend that the agreement in question also includes some “strengthening” provisions.

As I believe the strong vote on the Dayton-Craig amendment demonstrated, it would be a serious mistake to think that an agreement or package of agreements can be successfully presented to Congress for approval, under fast-track rules or otherwise, if it includes weakening changes to our trade remedy laws.

I would also like to clarify that this negotiating directive does not preclude U.S. negotiators from addressing the very serious shortcomings that have become apparent in the operation of the WTO dispute settlement system.

Mr. BAUCUS. That is exactly right. As explained in the Finance Committee’s report on the TPA measure, in a series of decisions involving trade remedy measures, the WTO Appellate Body and lower dispute settlement panels have fabricated obligations which our negotiators never accepted and blatantly disregarded the discretion which the Uruguay Round negotiators intended national investigating authorities to retain. These WTO tribunals have violated their mandate not to increase or reduce the rights and obligations of WTO Members; have imposed their preferences and interpretations, and those of a biased WTO Secretariat, on the United States and on other WTO Members; and have issued decisions with no basis in the legal texts they supposedly were interpreting.

The effect has been to upset the careful balance achieved in the Uruguay Round by adding new, and wholly unwarranted, constraints on the use of trade remedies. The no-weakening directive presents no impediment to the pursuit of a forceful U.S. agenda to address the problems plaguing WTO dispute settlement.

COST ESTIMATES—S. 2667, H.R. 3656, AND H.R. 4073

Mr. BIDEN. Mr. President, on October 8, the Committee on Foreign Relations ordered reported three bills, S.

2667, H.R. 3656, and H.R. 4073. I ask unanimous consent that the cost estimates prepared by the Congressional Budget Office with regard to these bills be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 10, 2002.

Hon. JOSEPH R. BIDEN, JR.,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2667, the Peace Corps Charter for the 21st Century Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Joseph C. Whitehill, who can be reached at 226-2840.

Sincerely,
BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE
S. 2667—Peace Corps Charter for the 21st Century Act

Summary: S. 2667 would authorize appropriations for the Peace Corps for years 2004 through 2007 totaling \$2.1 billion. It would authorize a doubling in the number of volunteers to 14,000 and would increase the authorized readjustment allowance paid to returning volunteers to \$275 for each month of service. The bill also would authorize \$10 million in 2003 for a grant program to support returned Peace Corps volunteers’ efforts to promote a better understanding of other peoples on the part of the American people. Assuming the appropriation of the authorized amounts, CBO estimates that implementing S. 2667 would cost \$1.9 billion over the 2003–2007 period. S. 2667 would not affect direct spending or revenues.

S. 2667 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 2667 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs). For this estimate, CBO assumes that the legislation will be enacted early in fiscal year 2003, that the authorized amounts specified in the bill for each year over the 2003–2007 period will be provided in annual appropriation acts near the start of each fiscal year, and that outlays will follow historical spending patterns.

	By fiscal year, in millions of dollars—					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for the Peace Corps:						
Authorization Level ¹	275	365	0	0	0	0
Estimated Outlays	276	343	72	8	2	0
Proposed Changes:						
Authorization Level	0	10	465	500	560	560
Estimated Outlays	0	8	365	474	536	549
Spending Under S. 2667 for the Peace Corps:						
Authorization Level	275	375	465	500	560	600
Estimated Outlays	276	351	437	482	538	549

¹ The 2002 level is the amount appropriated for that year. Section 3(b)(1) of the Peace Corps Act authorizes the appropriation of \$365 million in 2003.

Intergovernmental and private-sector impact: S. 2667 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: Federal Costs: Joseph C. Whitehill (226-2840); Impact on State,

Local, and Tribal Governments: Greg Waring (225-3220); and Impact on the Private Sector: Paige Piper/Bach (226-2940).

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 10, 2002.

Hon. JOSEPH R. BIDEN, JR.,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3656, an act to amend the International Organizations Immunities Act to provide for the applicability of that act to the European Central Bank.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Joseph C. Whitehill, who can be reached at 226-2840.

Sincerely,
BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE
H.R. 3656—An act to amend the International Organizations Immunities Act to provide for the applicability of that act to the European Central Bank

H.R. 3656 would extend to the European Central Bank (ECB) the same privileges, exemptions, and immunities given to the central banks of sovereign states. Specifically, it would protect the ECB’s assets from judicial process and attachment. The ECB is an independent legal entity owned by the central banks of the 12 countries of the European Union that comprise the euro area and functions as the central bank for the euro. It holds some of the foreign reserve assets of those countries in the Federal Reserve Bank of New York and commercial banks in the United States. The act would assure that the assets held collectively by the ECB retain the same protection they had when they were held separately by the central banks of its member countries. CBO estimates that H.R. 3656 would have no effect on federal spending or receipts.

H.R. 3656 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On March 27, 2002, CBO transmitted an estimate for H.R. 3656 as ordered reported by the House Committee on International Relations on March 20, 2002. The two versions of the legislation are identical, as are the two cost estimates.

The CBO staff contact is Joseph C. Whitehill, who can be reached at 226-2840. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 10, 2002.

Hon. JOSEPH R. BIDEN, JR.,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4073, an act to amend the Microenterprise for Self-Reliance Act of 2000 and the Foreign Assistance Act of 1961 to increase assistance for the poorest people in developing countries under microenterprise assistance programs under those acts, and for other purposes.