

people. I realize you are trying to juggle a lot of different bills and conference reports. But to the extent we could work to make that happen, I am sure Members would appreciate that.

Mr. ARMEY. I do appreciate that. I do think the Members ought to certainly make sure they make good arrangements for Monday night next week.

Mr. GEPHARDT. I thank the gentleman.

GENERAL LEAVE

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 1868, and that I be able to insert tabular and extraneous material.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from Alabama?

There was no objection.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The SPEAKER pro tempore. Pursuant to House Resolution 170 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1868.

The Chair designates the gentleman from Utah [Mr. HANSEN] as Chairman of the Committee of the Whole, and requests the gentleman from Ohio [Mr. BOEHNER] to assume the chair temporarily.

□ 1714

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, with Mr. BOEHNER, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Alabama [Mr. CALLAHAN] will be recognized for 30 minutes, and the gentleman from Texas [Mr. WILSON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

(Mr. CALLAHAN asked and was given permission to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Chairman, before I address the contents of this appropriations bill, let me take a moment to thank the staff of our Sub-

committee on Foreign Operations, Export Financing and Related Programs. This newly assembled little group got together only a few months ago, they are very professional. I want to tell you, it is a pleasure to work with them, particularly Charlie Flickner, Bill Inglee, John Shank, Lori Maes, and our CRS detail, Larry Nowels, and also to work with Terry Peel on the minority staff as well as Nancy Tippins on my own staff.

□ 1715

They were all very professional, and without their professional help we would not be here today with this bill.

Mr. Chairman, as far as I know, each and every member of the subcommittee supported bringing this bill to the House floor and each and every one had to go along with things they did not want. This is what legislation in the Congress is all about, compromise.

I want to thank our chairman, the gentleman from Louisiana [Mr. LIVINGSTON], for all his help at the early stage of the process. And I appreciate the efforts of my predecessor, the gentleman from Wisconsin [Mr. OBEY], and the ranking member of our subcommittee, the gentleman from Texas [Mr. WILSON], for their patience, understanding, and guidance. Everything we are doing is building on the record that the gentleman from Louisiana [Mr. LIVINGSTON], made in the last Congress, along with the former chairman, the gentleman from Wisconsin [Mr. OBEY].

Mr. Chairman, now let me simply address the contents of this bill. It is a foreign aid bill for sure, but it is more than that. It is the instrument for this President, and any future President, to work out foreign problems with more than talk but less than military force.

If Members find time to look at our committee report this weekend, I urge them to take a close look at the general introduction, beginning on page 3. Those pages express better than I can this afternoon what this bill is about and why it is necessary.

It is the instrument for American businesses and private groups to help less fortunate nations develop economically. The first items in this bill, in title I, are for export and investment assistance, and they are a priority for this committee this year. The best way to demonstrate a market economy is to do it, and that is what our businesses and investors enable others to do: learn about business by buying, selling, building, and working with American capitalists.

Because of the budget, we have had to reduce the more traditional types of development assistance, particularly when it is done through the multilateral banks. The committee does protect two categories of aid: children's programs and efforts to fight infectious diseases. In fact, we recommend a new account in the Treasury to ensure that children are protected and we continue a vigorous fight against diseases that affect both children and adults.

I am not sure that many American's are aware that our public health officials are moving towards the eradication of polio. Rotary International has been the sparkplug of this effort, and they have brought that to our attention.

In title III of the bill we have tried to go along with as much of the President's request for military assistance as we were able to afford. We have included the economic support fund and the military finance moneys that are sufficient to fulfill the Camp David accord needs. We also went along with the President's Warsaw initiative to help new democracies in Central Europe contribute to European security.

The final title, multilateral economic assistance, has had to bear the bulk of the reductions we made. That is not because our subcommittee does not appreciate what many of these banks and agencies do, but we simply had a higher priority on bilateral programs undertaken by our own Government. I would note that funding for UNICEF has been moved from title IV to the Child Survival and Disease Programs Account in title II, at the current level of \$100 million.

The subcommittee has removed many of the general provisions from title V. Some of them have been picked up in the authorization bill. Others were no longer needed. Many of the amendments that have been filed will occur during consideration of the general provisions title.

Let me close by going over a few of the numbers. The dollar levels that the House provides in this bill, history indicates, will be very close to what the final, enacted numbers are.

This bill is less than \$12 billion in budget authority. That is \$1.5 billion less than the current year, and almost \$10 billion less than the level of a decade ago. It is the lowest level in a decade.

At \$11.99 billion, this bill is \$2.8 billion less than the President's request, a reduction of 19 percent. That may be the largest reduction in history. We know it is the largest reduction within the last two decades.

Finally, this bill is under the congressional budget. In fact, it is over \$200 million under our subcommittee allocation.

Mr. Chairman, this is a good bill. We have tried to come up with a fair bill and we worked hard to balance the priorities of the new Republican majority and our veteran Democratic Members. I think we have accomplished what we set out to do.

There will be those who will come to the floor today and next week when we continue this bill who will want to spend more money on foreign aid, but I would ask each and every one of them to recognize the message that the American people sent to us in November. They said to cut spending. They did not say to cut spending in every area that we deal in except foreign aid. They said to cut everything.

There will be those that want to increase that, but there is no money to increase that. We have given the President the latitude he needs to have an effective foreign policy. We give him in this bill all of the money that we can afford for foreign operations for the next fiscal year.

So I think we have been fair to the administration. Certainly the minority party has been fair in negotiating how we spend this limited amount of money next year. It is the best that we can do.

So those of you who that are planning to come forward next week and indicate that you want to spend more, that you want to give the President more, forget about it. We are not going

to go any higher. We cannot go any higher.

Mr. Chairman, I include for the RECORD:

ROTARY INTERNATIONAL,
THE ROTARY FOUNDATION,
Evanston, IL, June 16, 1995.

Hon. SONNY CALLAHAN,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN CALLAHAN: I join with the 1.2 million Rotarians worldwide in thanking you for your leadership on polio eradication. We were pleased to find out that the House Foreign Operation Appropriations Subcommittee included Report Language recommending up to \$20,000,000 for targeted polio eradication efforts in fiscal year 1996.

We believe this direction from the Subcommittee is a critical first step in our fight to eradicate polio by the year 2000. This language is essential to focusing our humanitarian assistance programs on efforts that can be successful in providing important health benefits for the world's children, while at the same time saving money here in the United States.

We are encouraged by the Report Language in the Foreign Operations Subcommittee, which has demonstrated the broad consensus on the value of polio eradication. We look forward to celebrating the eradication of this disease in the year 2000.

Sincerely,

HERBERT A. PIGMAN,
General Secretary.

FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 1868)

	FY 1995 Enacted	FY 1996 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - EXPORT AND INVESTMENT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
<i>Limitation of Program Activity:</i>					
Subsidy appropriations.....	786,551,000	823,000,000	786,551,000	.....	-36,449,000
Administrative expenses.....	45,228,000	47,000,000	45,228,000	.....	-1,772,000
Negative subsidy.....	-49,856,000	-89,846,000	-89,846,000	-39,990,000	.....
Total, Export-Import Bank of the United States.....	782,123,000	780,354,000	742,133,000	-39,990,000	-38,221,000
OVERSEAS PRIVATE INVESTMENT CORPORATION					
Operating expenses.....	7,933,000	18,000,000	15,500,000	+ 7,567,000	-500,000
Non-credit administrative expenses.....	18,389,000	11,000,000	11,000,000	-5,389,000	.....
Insurance fees and other offsetting collections.....	-151,820,000	-302,500,000	-302,500,000	-50,880,000	.....
Direct loans:					
Loan subsidy.....	8,214,000	4,000,000	4,000,000	-4,214,000	.....
(Loan authorization).....	(18,865,000)	(79,523,000)	(79,523,000)	(+ 59,828,000)	.....
Guaranteed loans:					
Loan subsidy.....	25,730,000	75,000,000	75,000,000	+ 49,270,000	.....
(Loan authorization).....	(481,913,000)	(1,491,054,000)	(1,491,054,000)	(+ 1,009,141,000)	.....
Total, Overseas Private Investment Corporation.....	-93,354,000	-98,500,000	-87,000,000	-3,848,000	-500,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and Development Agency					
Trade and development agency.....	44,986,000	67,000,000	40,000,000	-4,986,000	-27,000,000
International Financial Institutions					
Contribution to the International Finance Corporation.....	68,743,028	67,556,000	67,550,000	-1,193,028	-8,000
Enterprise for the Americas Multilateral Investment Fund.....	75,000,000	100,000,000	70,000,000	-5,000,000	-30,000,000
Total, International Financial Institutions.....	143,743,028	167,556,000	137,550,000	-8,193,028	-30,008,000
Total, title I, Export and investment assistance (Loan authorizations).....	677,466,028	918,410,000	822,683,000	-54,815,028	-95,727,000
	(501,808,000)	(1,570,577,000)	(1,570,577,000)	(+ 1,068,769,000)	.....
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
Agency for International Development					
Child survival and disease programs fund.....	.....	.....	484,000,000	+ 484,000,000	+ 484,000,000
Development assistance fund.....	840,500,000	1,300,000,000	889,000,000	-171,500,000	-631,000,000
Population, development assistance.....	480,000,000	.....	450,000,000	-450,000,000	.....
Development Fund for Africa.....	802,000,000	802,000,000	528,000,000	-274,000,000	-274,000,000
International disaster assistance.....	169,998,000	200,000,000	200,000,000	+ 30,002,000	.....
Debt restructuring.....	7,000,000	25,500,000	7,000,000	.....	-18,500,000
(By transfer).....	.....	.....	(15,500,000)	(+ 15,500,000)	(+ 15,500,000)
Micro and Small Enterprise Development program:					
Subsidy appropriations.....	1,500,000	12,000,000	1,500,000	.....	-10,500,000
Administrative expenses.....	500,000	2,500,000	500,000	.....	-2,000,000
(Direct loan authorization).....	(1,000,000)	(3,540,000)	(1,435,000)	(+ 435,000)	(-2,105,000)
(Guaranteed loan authorization).....	(18,564,000)	(138,880,000)	(18,700,000)	(-1,864,000)	(-122,180,000)
Housing and other credit guaranty programs:					
Subsidy appropriations.....	19,300,000	16,780,000	.....	-19,300,000	-16,780,000
Operating expenses.....	6,000,000	7,240,000	7,000,000	-1,000,000	-240,000
(Guaranteed loan authorization).....	(137,474,000)	(141,888,000)	.....	(-137,474,000)	(-141,888,000)
Subtotal, development assistance.....	2,286,798,000	2,386,000,000	1,897,000,000	-401,798,000	-489,000,000
Payment to the Foreign Service Retirement and Disability Fund.....	45,118,000	43,914,000	43,914,000	-1,204,000	.....
Operating expenses of the Agency for International Development..	517,500,000	529,000,000	485,750,000	-51,750,000	-63,250,000
Reform and downsizing.....	.....	.....	29,925,000	+ 29,925,000	+ 29,925,000
Operating expenses of the Agency for International Development Office of Inspector General.....	39,118,000	39,118,000	35,200,000	-3,918,000	-3,918,000
Subtotal, Agency for International Development.....	2,900,534,000	2,978,032,000	2,471,789,000	-426,745,000	-506,243,000
Other Bilateral Economic Assistance					
Economic support fund.....	2,349,000,000	2,484,300,000	2,328,700,000	-22,300,000	-187,600,000
International fund for Ireland.....	19,800,000	.....	19,800,000	.....	+ 19,800,000
Assistance for Eastern Europe.....	359,000,000	480,000,000	324,000,000	-35,000,000	-156,000,000
Assistance for the New Independent States of the Soviet Union.....	842,500,000	788,000,000	595,000,000	-247,500,000	-193,000,000
Procurement: General provisions.....	-1,598,000	.....	.....	+ 1,598,000	.....
Subtotal, Other Bilateral Economic Assistance.....	3,588,502,000	3,782,300,000	3,285,300,000	-303,202,000	-497,000,000
Total, Agency for International Development.....	6,489,036,000	6,740,332,000	5,737,089,000	-731,947,000	-1,003,243,000

FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 1868)—Continued

	FY 1995 Enacted	FY 1995 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Independent Agencies					
African Development Foundation					
Appropriations	18,905,000	17,405,000	10,000,000	-8,905,000	-7,405,000
Inter-American Foundation					
Appropriations	30,960,000	31,780,000	20,000,000	-10,960,000	-11,780,000
Total, Funds Appropriated to the President	6,516,901,000	6,786,497,000	5,767,089,000	-748,812,000	-1,022,408,000
Peace Corps					
Appropriations	219,745,000	234,000,000	210,000,000	-9,745,000	-24,000,000
Department of State					
International narcotics control	105,000,000	213,000,000	113,000,000	+8,000,000	-100,000,000
Migration and refugee assistance	671,000,000	671,000,000	671,000,000		
Refugee resettlement assistance	6,000,000		5,000,000	-1,000,000	+5,000,000
United States Emergency Refugee and Migration Assistance Fund	50,000,000	50,000,000	50,000,000		
Anti-terrorism assistance	15,244,000	15,000,000	17,000,000	+1,756,000	+2,000,000
Nonproliferation and Disarmament Fund	10,000,000	25,000,000	20,000,000	+10,000,000	-5,000,000
Total, Department of State	857,244,000	974,000,000	876,000,000	+18,756,000	-98,000,000
Total, title II, Bilateral economic assistance	7,563,890,000	7,997,497,000	6,863,089,000	-740,801,000	-1,144,408,000
(By transfer)			(18,500,000)	(+18,500,000)	(+18,500,000)
(Loan authorization)	(187,038,000)	(284,308,000)	(18,135,000)	(-138,893,000)	(-266,171,000)
TITLE III - MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training	25,500,000	39,781,000	39,000,000	+13,500,000	-781,000
(By transfer)	(850,000)			(-850,000)	
Military to military contact	12,000,000			-12,000,000	
Foreign Military Financing Program:					
Grants	3,151,279,000	3,282,020,000	3,211,279,000	+80,000,000	-50,741,000
(Limitation on administrative expenses)	(22,150,000)	(24,020,000)	(24,000,000)	(+1,850,000)	(-20,000)
Direct concessional loans:					
Subsidy appropriations	47,917,000	89,888,000	84,400,000	+16,483,000	-25,488,000
(Loan authorization)	(919,950,000)	(785,000,000)	(544,000,000)	(-75,950,000)	(-221,000,000)
FMF program level	(3,770,929,000)	(4,027,020,000)	(3,755,279,000)	(-15,650,000)	(-271,741,000)
Total, Foreign military assistance	3,196,196,000	3,351,908,000	3,275,679,000	+75,483,000	-78,229,000
Special Defense Acquisition Fund: Offsetting collections	-282,000,000	-220,000,000	-220,000,000	+82,000,000	
Peacekeeping operations	75,000,000	100,000,000	88,300,000	-6,700,000	-31,700,000
Total, title III, Military assistance programs	3,029,896,000	3,271,688,000	3,162,679,000	+133,263,000	-108,710,000
(By transfer)	(850,000)			(-850,000)	
(Limitation on administrative expenses)	(22,150,000)	(24,020,000)	(24,000,000)	(+1,850,000)	(-20,000)
(Loan authorization)	(919,950,000)	(785,000,000)	(544,000,000)	(-75,950,000)	(-221,000,000)
TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Paid-in capital	23,009,101	28,189,963	23,009,000	-101	-5,180,963
(Limitation on callable capital)	(743,923,914)	(911,475,013)	(743,900,000)	(-23,914)	(-167,575,013)
Contribution to the Global Environment Facility	80,000,000	110,000,000	50,000,000	-40,000,000	-60,000,000
Total, contribution to the International Bank for Reconstruction and Development	(656,933,015)	(1,048,984,978)	(616,908,000)	(-40,024,015)	(-232,735,976)
Contribution to the International Development Association	1,175,000,000	1,388,188,000	575,000,000	-600,000,000	-783,188,000
Total, World Bank Group	(2,031,933,015)	(2,417,832,978)	(1,391,808,000)	(-640,024,015)	(-1,025,923,976)
Budget authority	1,288,009,101	1,508,367,963	648,009,000	-640,000,101	-856,348,963
(Limitation on callable capital)	(743,923,914)	(911,475,013)	(743,900,000)	(-23,914)	(-167,575,013)
Contribution to the Inter-American Development Bank:					
Inter-regional paid-in capital	28,111,969	25,952,110	25,950,000	-2,161,859	-2,110
(Limitation on callable capital)	(1,564,568,180)	(1,523,787,142)	(1,523,000,000)	(-71,568,180)	(-767,142)
Fund for special operations	21,338,000	20,835,000		-21,338,000	-20,835,000
Inter-American Investment Corporation	190,000			-190,000	
Total, contribution to the Inter-American Development Bank	(1,844,206,136)	(1,570,554,252)	(1,548,950,000)	(-66,256,136)	(-21,804,252)

FOREIGN OPERATIONS APPROPRIATIONS BIL (H.R. 1868)—Continued

	FY 1995 Enacted	FY 1995 Estimate	BW	Bill compared with Enacted	Bill compared with Estimate
Contribution to the Asian Development Bank:					
Paid-in capital		13,221,588	13,200,000	+ 13,200,000	-21,588
(Limitation on callable capital)		(847,658,204)	(847,000,000)	(+847,000,000)	(-658,204)
Development fund	167,980,000	304,528,525	167,980,000		-136,568,525
Total, contribution to the Asian Development Bank	(167,980,000)	(665,608,325)	(668,180,000)	(+660,200,000)	(-137,448,325)
Contribution to the African Development Fund					
	62,215,309	127,247,025		-62,215,309	-127,247,025
Contribution to the African Development Bank:					
Paid-in capital	133,000			-133,000	
(Limitation on callable capital)	(2,002,540)			(-2,002,540)	
Total, contribution to the African Development Bank	(2,136,540)			(-2,136,540)	
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital	89,180,353	81,916,447	89,180,000	-353	-12,738,447
(Limitation on callable capital)	(161,420,824)	(191,136,376)	(161,400,000)	(-20,824)	(-29,738,376)
Total, contribution to the European Bank for Reconstruction and Development	(230,601,177)	(273,054,823)	(230,580,000)	(-21,177)	(-42,474,823)
North American Development Bank:					
Paid-in capital		56,250,000	56,250,000	+ 56,250,000	
(Limitation on callable capital)		(318,750,000)	(318,750,000)	(+318,750,000)	
International Monetary Fund					
Contribution to the enhanced structural adjustment facility					
	25,000,000	25,000,000		-25,000,000	-25,000,000
Total, contribution to International Financial Institutions					
Budget authority	4,164,053,180	(5,754,297,401)	(4,374,599,000)	(+210,545,820)	(-1,379,898,401)
(Limitation on callable capital)	(2,501,915,458)	(3,592,988,735)	(3,394,050,000)	(+892,134,542)	(-198,938,735)
International Organizations and Programs					
International organizations and programs					
(By transfer)	374,000,000	425,000,000	155,000,000	-219,000,000	-270,000,000
			(15,000,000)	(+15,000,000)	(+15,000,000)
Total, title IV, contribution for Multilateral Economic Assistance	(4,538,053,180)	(6,179,297,401)	(4,529,599,000)	(-8,454,180)	(-1,848,898,401)
Budget authority	2,038,137,722	2,598,308,688	1,135,548,000	-900,588,722	-1,460,759,888
(By transfer)			(15,000,000)	(+15,000,000)	(+15,000,000)
(Limitation on callable capital)	(2,501,915,458)	(3,592,988,735)	(3,394,050,000)	(+892,134,542)	(-198,938,735)
Grand total, all titles:					
New budget (obligational) authority	13,537,221,750	14,773,904,688	11,974,300,000	-1,562,921,750	-2,799,604,688
(By transfer)	(850,000)		(30,300,000)	(+29,650,000)	(+30,300,000)
(Limitation on administrative expenses)	(22,150,000)	(24,020,000)	(24,000,000)	(+1,850,000)	(-20,000)
(Limitation on callable capital)	(2,501,915,458)	(3,592,988,735)	(3,394,050,000)	(+892,134,542)	(-198,938,735)
(Loan authorizations)	(1,278,498,000)	(2,619,883,000)	(2,132,712,000)	(+854,218,000)	(-487,171,000)
TITLE I - EXPORT AND INVESTMENT ASSISTANCE					
Export Assistance Appropriations					
	1,078,774,028	1,210,556,000	1,114,829,000	+36,054,972	-95,727,000
Negative Subsidies and Offsetting Collections					
	-201,278,000	-292,148,000	-292,148,000	-90,870,000	
Total, Export Assistance	877,496,028	918,410,000	822,683,000	-54,815,028	-95,727,000
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
Bilateral Development Assistance					
	4,025,388,000	4,235,197,000	3,567,796,000	-437,599,000	-647,408,000
Other Bilateral Economic Assistance					
	3,568,502,000	3,762,300,000	3,295,300,000	-303,202,000	-467,000,000
Total, Bilateral Economic Assistance	7,593,890,000	7,997,497,000	6,863,096,000	-740,801,000	-1,144,408,000
TITLE III - MILITARY ASSISTANCE					
Foreign Military Financing Program:					
Grants	3,151,279,000	3,282,020,000	3,211,279,000	+80,000,000	-50,741,000
Direct loans, subsidy costs	47,917,000	89,888,000	84,400,000	+18,483,000	-25,488,000
(Estimated level of direct loans)	(619,850,000)	(765,000,000)	(544,000,000)	(-75,850,000)	(-221,000,000)
Subtotal, Foreign Military Financing Program:					
Budget authority	3,189,186,000	3,351,908,000	3,275,679,000	+76,483,000	-76,229,000
(Program level)	(3,770,829,000)	(4,027,020,000)	(3,755,279,000)	(-15,850,000)	(-271,741,000)
Other, Military	112,500,000	139,781,000	107,300,000	-5,200,000	-32,481,000
Special Defense Acquisition Fund	-262,000,000	-220,000,000	-220,000,000	+62,000,000	
Total, Military Assistance Programs	3,029,686,000	3,271,689,000	3,162,979,000	+133,283,000	-108,710,000

FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 1868)—Continued

	FY 1995 Enacted	FY 1998 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE					
Contributions to International Financial Institutions	1,837,137,722	2,138,308,888	980,549,000	-956,588,722	-1,157,759,888
International Monetary Fund (IMF)	25,000,000	25,000,000	.....	-25,000,000	-25,000,000
International organizations and programs	374,000,000	425,000,000	155,000,000	-219,000,000	-270,000,000
Total, contribution for Multilateral Economic Assistance	2,036,137,722	2,588,308,888	1,135,549,000	-900,588,722	-1,452,759,888
Grand total, all titles	13,837,221,750	14,773,804,888	11,874,300,000	-1,562,921,750	-2,799,504,888

Mr. Chairman, I reserve the balance of my time.

Mr. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in support of the passage of the foreign operations bill.

Although I hope that some funding adjustments can be made as the bill moves through the legislative process, I think the bill should be supported vigorously in its current form.

As the chairman has said, the committee has recommended a bill of \$12 billion for fiscal year 1996, which is \$1.5 billion, 11 percent, below last year, and more importantly, \$2.8 billion below the President's request or 19 percent below the President's request. I dare say there will not be another appropriation bill presented to this House that is that much below the President's budget.

Funds are provided in the bill to meet the administration request for Camp David, and other commitments in the Middle East including Jordan and programs for the West Bank and for the Gaza Strip.

The bill also provides a significant program to help increase U.S. exports abroad, which is in my opinion one of the most important characteristics of the bill. The \$822 million in export assistance in the bill will provide for more than \$20 billion in guaranteed loans through the Export-Import Bank and more than \$1 billion in assistance through the Overseas Private Investment Corporation.

I would like to say at this point that regarding OPIC, the Overseas Private Investment Corporation, that that is one of the very few agencies in the U.S. Government that pays more back into the Treasury, that remits more to the Treasury of the United States, than is appropriated for its operation.

So, it not only pays more back than we appropriate, but it also significantly affects in a positive way the balance of payments of the United States, as well as creating jobs and exports in every State in the Union.

The bill also helps meet our humanitarian commitment abroad by providing the amount requested by the administration for both refugee assistance and international disaster assistance.

The bill also, at the initiative of the chairman, sets aside significant funds for child survival and funds to meet our international commitment to fighting worldwide diseases.

I would also say, Mr. Chairman, that this bill is the result of very strenuous and vigorous negotiation and compromise on the part of all of the members of the committee and particularly of the chairman of the subcommittee, the chairman of the full committee, and the ranking member of the full committee.

The bill is truly bipartisan in nature and truly enjoys at this point bipartisan support. I can only express my hope that damaging amendments are

not added to the bill which will upset the bipartisan balance that we have achieved.

I want to compliment the chairman again. I want to compliment the chairman of the full committee. I certainly want to compliment the ranking member, because everyone stretched their tolerance to the limit to reach a truly, truly, bipartisan compromise. I urge Members to stay with the bill as reported in the House and not to make changes that will endanger this bipartisan support.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I would like to thank the gentleman from Texas [Mr. WILSON] for his comments and I would like to say that I omitted to recognize the gentleman's very able staff person, Kathleen Murphy, who did an outstanding job as well.

Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Louisiana, [Mr. LIVINGSTON], the chairman of the full committee.

Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman from Alabama [Mr. CALLAHAN], my good friend, the able chairman of the subcommittee, and rise in support of the fiscal year 1996 foreign operations bill.

First, let me pay special tribute to the great gentleman from Alabama [Mr. CALLAHAN] the distinguished chairman of the subcommittee. The gentleman has displayed not only great leadership, but diplomatic skills worthy of Henry Kissinger in shepherding this bill through the committee.

My friends, the gentleman from Texas [Mr. WILSON] and the gentleman from Wisconsin [Mr. OBEY], the ranking member, also deserve special praise for their hard work and willingness to develop a bipartisan consensus on what could have been a very difficult bill, but has not been because of their tremendous assistance and cooperation.

The gentleman from Alabama [Mr. CALLAHAN], the chairman worked with all of the members of the subcommittee, many members of the authorizing committee, and the administration to allocate the shrinking foreign assistance dollars in the fairest and most balanced manner possible. Due to the gentleman's inclusive leadership, we are able to present a bill with bipartisan support which we hope to pass.

I want to echo the comments of the gentleman from Texas [Mr. WILSON] that I hope also that it can be done with a minimum of amendments.

We are continuing the downward trend in foreign aid spending that has occurred in the last decade. We spent \$18.3 billion on foreign operations appropriations in fiscal year 1985, which is \$25 billion in today's dollars. Since today's bill is less than \$12 billion, we have basically cut foreign aid in half over these last 11 years.

This bill makes the tough choices to cut \$1.5 billion from last year's level and \$2.8 billion from the President's request.

Despite the difficult cuts, we have protected the most vulnerable of those who rely on us, the young children and the victims of disease and disaster.

Therefore, I strongly support the decision of the chairman, the gentleman from Alabama [Mr. CALLAHAN] to create a new account called the child survival and disease program fund. At \$484 million, it slightly increases the spending for protection of young children worldwide and it encourages the administration to fund programs to eradicate polio and reduce other infectious diseases, including AIDS.

While maintaining support for children and refugees, this bill reduces the old-style government-to-government foreign aid in favor of market-oriented, private-sector-driven economic growth. Genuine and sustainable development will be promoted far faster by investment by real entrepreneurs and expanded trade and capital formation by U.S. companies in emerging private sectors around the globe.

We have invested in programs that allow private companies to work with export assistance agencies to make broad-based economic growth a reality in developing free markets. The bill contains no earmarks, instead providing the President with maximum flexibility possible to develop foreign policy without micromanagement.

We could have used this bill to score political points against the President's foreign policy, or raised flowery rhetoric on controversial issues. We avoided pejorative political statements and instead provided the President with resources to conduct a global foreign policy letting the numbers speak for themselves.

We have accepted the reorganization savings made by the authorizing committee and kept the funding levels generally in line with the levels provided in H.R. 1561, the American Overseas Interest Act. If you voted for the authorization bill, you should support this appropriations bill.

We have maintained the funding levels to meet our Camp David commitments for Egypt and Israel. We have made children a priority and moved our aid program in the direction of promoting trade and free markets instead of government-to-government hand-outs.

Mr. Chairman, this is a responsible and balanced bill, and I urge all of our Members to cooperate with us and try to keep their amendments to the minimum, and I urge their support for the good work of the gentleman from Alabama [Mr. CALLAHAN] and the good work of all of the members of the subcommittee.

□ 1730

Mr. WILSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the full committee.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding.

Let me, first of all, congratulate both the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] for the work they have done in putting together a bipartisan approach to this bill and to say that I feel that for a long time, regardless of partisan differences on many other issues, I believe this subcommittee has always served as an example of the way the Congress ought to work, putting policy ahead of party and putting the country ahead of personal considerations.

I do not think in the time that Mickey Edwards from Oklahoma was the ranking member or in the time that the gentleman from Louisiana [Mr. LIVINGSTON] was ranking member, and I chaired the subcommittee, that you could tell who was a Democrat and who was a Republican when we were addressing issues on this bill. There were no partisan scenes, and I think that the gentleman from Alabama [Mr. CALLAHAN] has made every effort, as has the chairman, the gentleman from Louisiana [Mr. LIVINGSTON], now that the Republicans are in control of this institution, to see to it that that tradition remains, and I congratulate them for it because that is the only way this country can function on foreign policy.

That does not mean we are going to agree on everything, because, as Will Rogers said, when two people agree on everything, one of them is unnecessary.

But the fact is that we have many times stood in the well in the last 10 years defending the positions and the prerogatives of the President of the United States, whether that President was a Republican or a Democrat, and I think it is essential on this bill that that tradition continue.

Having said that, I also feel an obligation to point out the priorities in this bill are not necessarily my priorities. I would prefer that military aid not be as high as it is in the bill, and I would prefer that some of the economic accounts be somewhat higher.

I also have very great doubts about both the administration's position and the subcommittee's position with respect to NATO. I would urge everyone to read the article by Mr. Hoagland in the Washington Post today if they want to understand what I mean.

And I am concerned very much about what I feel to be an insufficient appreciation for the delicate situation that exists in the Soviet Union, and I think that this Congress runs a very major risk of not dealing with that relationship in the most constructive way possible. I think there are significant defects in this bill with respect to that issue.

But having said that, I still intend at this moment to support this bill because it does represent a reasonable bipartisan effort to hold this institution together. It does not try, as the authorization bill sometimes does, to incredibly micromanage the Nation's foreign affairs. It does state clear policy preferences,

but it does not try to micromanage, and I think that is a crucial difference.

I would simply concur in the statement made by the distinguished gentleman from Texas who indicated that this bill is very delicately put together and it will remain a bipartisan bill so long as it stands in roughly this shape.

The House has two choices it can make. It can choose, if it wants, to pass a partisan bill with nominal but not very enthusiastic support on this side of the aisle, in which case that bill may make a lot of people feel good temporarily. But it will in the end go nowhere because the President in the end has the veto pen, and I have no doubt he will use it if this bill is not consistent with his vision of the national interest.

But the other choice it can make is to try to do what we have tried to do many times in this country's history, which is to produce a bipartisan product which meets the needs of the United States without regard to ideological preference, and while this bill certainly has a strong philosophical bent in the direction of the gentleman from Alabama [Mr. CALLAHAN], that is to be expected because they have the votes for the time being, and I think what we need right now on both sides of the aisle is a determination that we will try to keep this bill as bipartisan as possible because in foreign affairs, and this is much more crucial than any other area of governance, although it would be useful in both, in foreign affairs it is crucial that we have continuity of policy so that we do not confuse our friends and that we do not confuse our adversaries.

I think this bill tries to do that to a significant degree, and that is why, at least at this moment, I support the legislation with all of my doubts about some of the edges.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the comments of the gentleman from Wisconsin and say that philosophically I agree with your statement that, with respect to the administration, I think the Constitution gives the responsibility and the authority to handle foreign affairs to the administration, and I think Congress has been too involved.

But we are here today, talking about money under today's circumstances.

Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. PORTER], a member of our subcommittee.

(Mr. PORTER asked and was given permission to revise and extend his remarks.)

Mr. PORTER. Mr. Chairman, I support this bill and I want to commend the gentleman from Alabama for making the best of a very difficult budgetary situation. The bill is nearly \$2 billion smaller than last year's, which represents a large cut in a relatively small bill, yet Mr. CALLAHAN worked

tirelessly to ensure that the concerns and priorities of all the members of the subcommittee and committee were taken into account.

This is not to say that this bill is perfect—or could be in my view given the constraints the subcommittee is working under. But I believe the United States has not only an opportunity, but a responsibility, to take a leadership role in the world and promote our values of human rights, rule of law, democracy and free markets to the far corners of the globe. I am concerned that the cuts to the development assistance account—40 percent—gravely weaken our development programs, including voluntary family planning, environment, education, and microenterprise.

I strongly oppose any effort that may be made to further cut the development assistance account on the floor today or that will inhibit AID from undertaking much needed streamlining.

Perhaps the most important item in this bill in my view is the funding to the government of Turkey. Together with FRANK WOLF and CHRIS SMITH, I will be offering an amendment to cut some of these funds in order to send a clear message to Turkey that their ongoing genocide of the Kurds and that their treatment of their neighbors—Armenia and Cyprus—is absolutely unacceptable. This bill provides \$320 million in loans to Turkey to allow it to purchase weapons and \$46 million in economic aid in the form of cash transfers to the Turkish Government. It is hypocritical, it seems to me, that our Nation, the freest ever, should be helping to prop-up and arm a government that the State Department has repeatedly cited for gross and worsening violations of human rights. As I said, at the appropriate time I will be offering an amendment to cut aid to Turkey.

I am very pleased, however, that the report to this bill makes clear that the committee continues to strongly support funds to bring together the two communities in Cyprus, which have been separated for over 20 years following the Turkish invasion of the island.

Another grave concern I have with this bill is the retreat on funding for voluntary family planning programs. To understand this concern, I would like to ask one question, "Do you think the quality of life for people on Earth, including Americans, will be better or worse when the global population is double what it is today?"

If we do not take action to provide couples with the means to plan the number and spacing of pregnancies, the world's population will double by 2050. This will put huge pressures on food and energy supplies and the environment, not to mention the political instability that will be created by huge numbers of young people in the developing world. Adequate funding for bilateral and multilateral voluntary family planning programs today helps

to ensure that our children and grandchildren will live in a safer more prosperous world. I encourage Members to keep that in mind when an amendment is offered later by Rep. SMITH of New Jersey to effectively eliminate our multilateral population program and hamstringing our bilateral program so the most effective family planning providers cannot receive U.S. funds.

This bill addresses, as best it can given the budget squeeze, the need to help other nations conserve and protect their environments. AID has for a number of years, been focusing resources on protecting the biodiversity in areas like South America, central Africa, and Papua New Guinea. I strongly support this ongoing effort.

I am also very supportive of the continuing work of the Global Environmental Facility—the GEF—which is the environmental lending program, of the World Bank. I think the best way to describe the GEF is that it is a fund that helps developing nations help themselves in ways that help us. The GEF lends funds to developing nations for environmental projects that address the loss of forests and species, ozone depletion, and pollution of international waters. Although the bill cuts the U.S. contributions to the GEF nearly in half, this level of U.S. participation is essential to ensure that other donors continue to participate. In the next 4 years, Japan has pledged \$500 million and Germany has pledged \$240 million. I strongly support our contribution and oppose any effort to cut it further on the floor.

This bill also puts at a high priority the democratization and development of free markets in nations of the former Soviet Union, particularly Armenia. Armenia has a young, but fully functioning democracy that is far ahead of its neighbors in privatization. This bill provides funds for both humanitarian assistance for Armenia and for long-term development that will, coupled with an end to the blockades imposed by its neighbors, ultimately make Armenia a self-sufficient country. The State Department plans to end assistance to the NIS countries before the end of the century. Assistance, like that to Armenia, is essential to set them on the right track and ensure that they will develop sufficiently to be able to stand on their own in the near future.

I am also very pleased that this bill continues to meet our Nation's commitment to the Camp David accords. Both Israel and Egypt are fully funded in this bill, as they should be. This bill helps fulfill our commitment to Israel's keeping a qualitative military edge over its neighbors as well as rewarding those who are willing to take reasonable risks to pursue peace.

Finally, I would like to commend the staff of the subcommittee for their excellent and tireless work with Members and their staffs to find common ground on what are often very difficult issues and to bring this bill to the floor

today. Thanks to Charlie Flickner, the new clerk who the chairman was fortunate enough to lure away from the other body, and to John Shank and Bill Inglee of the subcommittee staff, and to Nancy Tippines, the chairman's very able associate staffer. And special thanks to Lori Maes, who is the institutional memory on the subcommittee and a real professional.

Also thanks to Terry Peel the minority staff whose knowledge of this bill was essential to our getting to this point today. I also want to commend the associate staff of the members of the subcommittee including Tripp Funderburk, Bill Deere, Ann Campbell, Chris Peace, Martha Harrison, Jim Doran, Jerome Hartl, Kathleen Murphy, Rep WILSON's very able and accommodating staffer, Steve Marchese, who grew up in Arlington Heights which is in my district, Carolyn Bartholomew, and Nancy Alcalde.

Mr. Chairman, I thank Chairman CALLAHAN and urge Members to support this bill.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PACKARD], another distinguished member of the subcommittee.

Mr. PACKARD. Mr. Chairman, I have the distinct pleasure and privilege of serving on this subcommittee with the chairman, the gentleman from Alabama [Mr. CALLAHAN], and the ranking minority member, the gentleman from Texas [Mr. WILSON], and I find that they have crafted a very, very good bill, and I would like to recognize them for that effort.

I also recognize the staff and all of their hard work that they have done, as well.

Mr. Chairman, I rise in strong support of the fiscal year 1996 foreign operations appropriations bill. This bill cuts 11 percent or \$1.5 billion from fiscal year 1995 levels. It represents a \$2.8 billion cut from the President's request. And more importantly, this bill continues the Republican transformation and downsizing of Government that we in Congress promised back in November.

Mr. Chairman, this bill maintains many of our traditional foreign aid priorities such as humanitarian assistance and foreign military financing. In addition, this bill moves our foreign assistance program away from traditional bilateral aid which is ineffective and bureaucratic, and toward a more market oriented development which uses the private sector to promote economic growth.

Finally, Mr. Chairman, this bill includes no earmarks. This is a clean bill, it is one that puts this country on the right track toward a deficit-free future.

Once again, I wish to commend the chairman and the ranking minority member for their excellent work in crafting this very good and bipartisan bill, and I recommend all Members support it in final passage.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Iowa [Mr. LIGHTFOOT], a member of our panel.

(Mr. LIGHTFOOT asked and was given permission to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Chairman, I rise in support of the bill.

Let me begin by commending the gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Texas [Mr. WILSON] for their hard work on this legislation.

A foreign aid bill is neither an easy nor popular bill to bring to the floor of the House for a vote. But Mr. CALLAHAN and Mr. WILSON have worked in the bipartisan tradition of the committee to develop a bill we should all support.

Mr. Chairman, I would like to begin by discussing the administration's attitude throughout this year's foreign aid debate. The administration's budget proposal did not reflect the fact foreign assistance spending must also contribute toward our goal of a balanced Federal budget. Further, the administration, as well as a number of special interest groups, have convinced themselves that if the American people just understood the foreign aid program, they would support increased foreign aid. This is a dangerously misguided view.

That misguided belief apparently is fostered by a University of Maryland poll on American attitudes toward foreign assistance. As someone who has read and interpreted polls from time to time, I suspect the University of Maryland's poll conclusions would change dramatically if, for example, specific domestic programs were offered up as the funding source for increased foreign aid.

In addition, a number of ambassadors have visited with me this year and expressed concern that Republican foreign policy means a return to isolationism. In light of Anthony Lake's speech equating a reduction in foreign aid with back door isolationism and Ambassador Albright's equating opposition to increasing the number of peacekeeping operations with membership in the "Flat Earth Society," it is clear the administration has deliberately orchestrated this climate in order to draw attention away from its own pathetic foreign policy record.

Now let me turn to this year's bill. Despite the bipartisan work of the committee, I believe the bill does reflect the priorities of the new majority. The emphasis of the bill is on export promotion activities, a continued commitment to supporting Israel, and a leaner more efficient agency for international development.

There are two aspects of the bill which I would like to briefly discuss. The first concerns our continued support for export promotion programs.

I believe the export assistance agencies fulfill a very important role in advancing American foreign policy. They

are not corporate welfare. As you know, our three export assistance agencies support projects in parts of the world where commercial institutions are reluctant to participate. They also help level the playing field for American business in the global market.

Neither Chairman CALLAHAN nor I believe in corporate welfare. In fact, I do not believe we believe in any kind of welfare. But it is clear that foreign governments help their businesses compete in developing markets. In a perfect world it would be nice to reduce this type of funding. However, if we cut this funding we only succeed in harming American business abroad.

Second, I think we are getting to the point where we need to think seriously about the future of bilateral aid programs. This bill and the budget resolution clearly indicate that future spending on foreign aid will continue to drop. We need to think about the most effective way to best spend those diminishing dollars.

I think the best way may be to shift from bilateral programs to using the leveraging power we have with the multilateral development banks.

Secretary Rubin and his staff have once again done an excellent job in demonstrating the utility of our funding the MDB's. As you know, the funds we appropriate as part of our previously negotiated share of MDB financing results in exports many times larger than our annual contribution.

Every dollar of our MDB contribution leverages into \$22 in total MDB lending. Additionally, we must continue to contribute to the MDB's if we are to continue to play a leadership role in the management of the individual multilateral banks.

In closing, let me again commend Chairman CALLAHAN and Mr. WILSON for bringing to the floor a good bill. I also want to acknowledge the fine work of the staff in getting us here.

I urge all my colleagues to support this bill.

□ 1745

Mr. WILSON. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. VISCLOSKEY].

(Mr. VISCLOSKEY asked and was given permission to revise and extend his remarks.)

Mr. VISCLOSKEY. Mr. Chairman, I appreciate the gentleman's courtesy in yielding this time to me, and I rise in support of the legislation and to commend Chairman CALLAHAN and the gentleman from Texas for the fine job they have done under very trying circumstances. I also rise to express my strong support for maintaining the integrity of section 907 of the Freedom Support Act which sanctions Azerbaijan for its blockade of Armenia and Nagorno Karabagh. I am extremely concerned about one provision—in this bill which would gut section 907. The purpose of section 907 is specifically to prohibit direct United States Govern-

ment assistance to the Government of Azerbaijan until Azerbaijan ceases its blockade of Armenia.

I want to be clear about this: Section 907 prohibits direct government to government aid. It does not deny United States humanitarian aid to Azerbaijan, as the bill's language would lead us to believe. As a matter of fact, as of March 31, 1995, Azerbaijan has received \$61.8 million in incountry, United States humanitarian assistance through nongovernment organizations and private volunteer organizations.

Section 907 states:

United States Assistance under this or any other act (other than assistance under Title V of this act) may not be provided to the government of Azerbaijan until the President determines, and so reports to Congress, that the government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno Karabagh.

To date I am not aware that the President has filed a report with the Congress indicating that the blockade is being lifted.

The Azerbaijan blockade against Armenia and Nagorno Karabagh is now in its 5th year and it has made Armenia the poorest of the 15 former Soviet Republics.

According to United States AID's 1995 country profile of Azerbaijan, Azerbaijan continues to enforce a complete rail, road, and fuel blockade of Armenia throughout its territory, effectively cutting off fuel supplies and humanitarian supplies.

As a result, the blockade has forced a shut-down of almost all Armenian industries.

In fact, as many as one-third of Armenia's 3.6 million people have fled the country because the winters are unbearable and the factories stand idle.

Lifting the ban now would only encourage Azerbaijan to resist a peaceful solution to the Karabagh conflict and keep their blockade in place. The effort in the bill to weaken United States law that restricts United States aid to Azerbaijan represents a retreat from the principal position adopted by this body in 1992 that Azerbaijan must make progress towards peace by lifting its blockade. Congress would send the wrong message now by moving to weaken this restriction when the Azerbaijan Government in more than 2 years has failed to act on the United States demands.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. KNOLLENBERG] a member of the subcommittee.

(Mr. KNOLLENBERG asked and was given permission to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Chairman, I rise to express my strong support for this bill which reflects the subcommittee's careful crafting and compromise. I particularly wanted to salute the gentleman from Alabama [Mr. CALLAHAN], the chairman of the full committee, the gentleman from Louisiana [Mr. LIVINGSTON], and of course the gen-

tleman from Texas [Mr. WILSON] who has been a strong advocate for bringing together this compromise. It deserves bipartisan support. It is not a Republican idea, it is not a Democratic idea, it is an American idea.

H.R. 1868 recognizes the fiscal situation we face and reduces the amount of money that we spend on foreign assistance. But H.R. 1868 also reflects our continued belief in the importance of maintaining our role as a leader in global events.

This bill does not blindly slash foreign aid. We make some serious cuts that reflect careful consideration and the review of every program. We have eliminated and reduced funding to those programs that have failed to justify continued support.

Foreign aid is a crucial component of our foreign policy. With the end of the cold war, there exists a sentiment in our country to place foreign affairs on the back burner and focus on domestic problems, and I admit we cannot ignore the domestic problems of crime, health care, education, and the economy, but I believe that recent events in the former Soviet Union, North Korea, and Bosnia illustrate that America must not insulate itself from the international community.

Faced with a national debt that is strangling our economy, Congress is operating under severe pressure to reduce spending and rightfully so. But we must work toward these goals as the world's only superpower and the sole proprietor of democracy. We have reduced foreign aid in this bill but we have not eliminated our ability to participate in the world.

Foreign aid, which makes up less than 1 percent of our Federal budget, is a good investment and has benefited our interests around the globe by furthering the development of economic and political stability in the international community.

H.R. 1868 allows us to continue to remain active in world event while it reflects our budgetary constraints.

I support this bill very strongly, and I urge my colleagues to do likewise.

Mr. WILSON. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Chairman, I want to comment on three issues that will come up in the context of the fiscal year 1996 foreign aid appropriations bill. First is the Humanitarian Aid Corridor Act. This is a provision in the bill that would bar U.S. assistance to countries that bar the delivery of U.S. humanitarian aid to another country. The Republic of Turkey, a major recipient of United States assistance, has maintained a blockade on its neighbor Armenia. Asking our allies to allow American humanitarian assistance to reach its intended recipients is a reasonable condition for U.S. aid, and any country that fails to abide by this basic condition is undeserving of our aid. This provision was approved by the Foreign Operations Subcommittee, and

was part of the foreign aid authorization bill which has already passed the House. The Senate Foreign Relations Committee has also adopted this provision. Any attempt to remove the Humanitarian Aid Corridor Act from the bill must be opposed.

Second, Mr. Chairman, I support conditional aid to Turkey on compliance with human rights. Our colleague, the gentleman from Illinois [Mr. PORTER] a member of the Foreign Ops Subcommittee and the cochairman of the Armenian issues caucus, is planning to introduce an amendment that would cut assistance to Turkey until that country makes substantial improvements in its human rights record. The Porter amendment is intended to draw attention to Turkey's immoral and illegal blockade of Armenia, the Cyprus issue, the rights of the Kurdish people, and the restrictions on free expression in Turkey. I strongly support the Porter amendment.

Third, I would urge the House to maintain the economic sanctions on Azerbaijan until it lifts its blockade of Armenia. Language was inserted into the foreign aid appropriations bill which severely weakens section 907 of the Freedom Support Act, which became law in 1992. This provision prohibits government-to-government assistance between the United States and Azerbaijan until that country lifts its devastating blockade of Armenia. Given that the Azerbaijani Government has not made any progress toward lifting its blockade, as was previously stated by my colleague, the gentleman from Indiana [Mr. VIS-CLOSKY], there is no basis for changing the law, and Azerbaijan should not be rewarded for its intransigence. Indeed, the law has not prevented humanitarian aid disbursed by nongovernmental and private voluntary organizations from getting to Azerbaijani refugees. Our colleague PETER VIS-CLOSKY of Indiana, a member of the Appropriations Committee and also the Armenian issues caucus, may offer an amendment to strike this provision or to explicitly forbid direct governmental assistance to Azerbaijan. The Visclosky amendment would prevent the gutting of the existing law, and I urge support for that amendment.

Finally, Mr. Chairman, Armenia has made tremendous strides toward democracy and a market economy since the breakup of the Soviet Union despite the relentless hostility of its neighbors, Turkey and Azerbaijan. Turkey and Azerbaijan, in my opinion, continue this blockade illegally. The United States should support countries that share America's values and not give encouragement to those countries that oppose our principles so flagrantly.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. FORBES], one of the hardest working new Members of this Congress that has come in this year to join us. We are blessed that he was also

put on our subcommittee, and he has been a valuable contributor, a man who works hard, a man who understands this bill as much as anybody in this Congress.

Mr. FORBES. Mr. Chairman, I thank the gentleman for those wonderful words.

I rise in support today of the foreign operations bill, and I compliment the ranking minority leader of this great committee and my distinguished chairman for all their hard work.

Mr. Chairman, I would say that this document is a responsible document, to say the least. There are many across the country who question this Nation's commitment to foreign operations and foreign assistance, and I have to say to those people who think that we should be spending more around the globe that they will be disappointed because this document is a responsible document that blends a responsible approach for this Nation as a leader in making sure that we help children, that we make sure that those who are so dedicated to freedom and democracy around the world have appropriate assistance, but it does not allow us to move around and perhaps be the world's policemen.

So I compliment the committee and the committee staff particularly for their help in crafting what I would say is a most responsible document. It calls for \$11.9 billion. It is a responsible document that results in the lowest spending in foreign operations in 20 years. It is in line with this Nation's ability to move toward a balanced budget. It is \$200 million below the budget authority. It is \$400 million below the authorizers' document, and, as I said, it is a very responsible spending plan that is in line with this Nation's responsibilities to its allies and to the preservation of democracy and freedom around the world. This document preserves funding for peace, strategic allies like Israel and Egypt, and helps to move forward on the Middle East agreements, and addresses new priorities for this Nation in counterterrorism and drug interdiction.

By zeroing out or severely reducing funding for soft loan windows at the multilateral banks, we are moving away from the statist model of development in favor of a more free market approach. On the other hand, the bill creates a new child survival account, as I have referenced, and ensuring that nearly half a billion dollars will be spent on basic needs for children rather than the nebulous and often wasteful, quote, development assistance account. It maintains and even increases funding for export assistance, something that is vital to this Nation's economy and where the small business sector looks for new opportunities. It enhances U.S. competitiveness abroad and certainly will result in the creation of jobs here at home.

The bill maintains enough funding for the United States to carry out what I said is its proper foreign policy obligations and ensures that national secu-

rity functions as the world's leader continue. It brings us back from the brink of becoming the world's policemen and nanny to a more responsible place for this Nation as the guardians of peace, freedom, and democracy around the world.

□ 1800

The CHAIRMAN. The gentleman from Alabama [Mr. CALLAHAN] has 5 minutes remaining, and the gentleman from Texas [Mr. WILSON] has 15 minutes remaining.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. CHRISTENSEN].

Mr. CHRISTENSEN. Mr. Chairman, I want to thank the committee and its chairman for rejecting any attempt to close down the Overseas Private Investment Corporation [OPIC]. I support downsizing Government more than anyone, but abolishing OPIC will not further either of these goals.

OPIC is not some foreign boondoggle program, as some have charged. OPIC provides loans and political risk insurance to American companies doing business abroad. It does not do this for free. It charges market rate for its services, which is how it makes money. For example, recently OPIC charged an 11.9-percent financing rate for a company that is constructing a powerplant overseas. If it was not for OPIC, that company would have had to purchase \$500 million worth of goods from Japan, rather than from the United States.

Unlike almost every other Federal agency, OPIC actually takes in more than it spends. In fact, it showed a net income of \$167 million last year, and it writes a check at the end of each year returning most of its profits to the Government. Since 1971, OPIC has contributed almost \$2 billion back to the Federal Government to reduce the debt.

OPIC is a successful business because it negotiates on a government-to-government basis. Its services are simply not available in the private sector. OPIC does not cost the taxpayers anything, and it actually makes money for the Government, so its elimination would actually increase the deficit, not reduce it. In my opinion, OPIC is an example of how a Federal agency should be run. Its elimination would hurt U.S. interests and result in higher deficits.

I want to thank the committee and its chairman for fighting to keep it, and also I look forward to working with the chairman to make sure we stem the tide of any elimination as this process goes on.

Mr. WILSON. Mr. Chairman, I yield myself 30 seconds to ask a question of the gentleman from Nebraska [Mr. CHRISTENSEN]. I would like to ask the gentleman from Nebraska to reiterate what he said. I think many Members of this body do not understand that OPIC actually returns more money to the Treasury than we appropriate for it.

Mr. CHRISTENSEN. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. WILSON. As well as creating jobs, as well as positively affecting the balance of payments, as well as creating more taxpayers.

Mr. CHRISTENSEN. It does the things that the private sector cannot do, because the private sector does not have an arm where it will take political risks. OPIC takes that risk for the American enterprise, for the entrepreneur, for the corporation, loaning out at market rates and returning back to the Federal Government the cost.

Mr. WILSON. I thank the gentleman.

Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. MENENDEZ].

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Chairman, I thank the distinguished ranking member for yielding.

Mr. Chairman, in my absence a lot has been said about the amendment that I have offered and which the Committee on Rules made in order, which I want to publicly thank the gentleman from New York [Mr. SOLOMON] who, in his wisdom, along with the members of the Committee on Rules, agreed to have this amendment made in order, particularly in view of the serious nature and the timing of what is involved.

For someone to say that it is a rather narrow focus about the issue of the nuclear power plant in Cuba, they should have seen the 60 Minutes program 2 weeks ago. It is not a narrow focus.

If we look at the September 1992, GAO report, for those of us who have been following this for quite some time, we know this is a very serious issue, and not just to those who follow Cuba policy vis-a-vis the United States and Cuba.

This is what this report said about the nuclear power plant. It said that reports by a former technician from Cuba examining with x rays weld sites believed to be part of the auxiliary plumbing system found 10 to 15 percent of those were defective; that the operation of this reactor would be criminal. In fact, it says, for those of you who are Members from Texas, Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina, North Carolina, Virginia, and Washington, DC, according to a study by the National Oceanographic and Atmospheric Administration, that summer winds could carry radioactive pollutants from a nuclear accident at that powerplant throughout all of Florida and parts of the States on the gulf coast as far as Texas, and northern winds could carry it as far northeast as Virginia and Washington, DC. That affects the lives of hundreds of millions of Americans and in fact it makes it so imperative that we consider this amendment and move forward on it. We do not need to be supplying money to countries who want to permit another Chernobyl-like accident 90 miles away from the United States. That is why I appreciate the amendment being considered.

Mr. WILSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the full committee.

Mr. OBEY. Mr. Chairman, I would simply like to take a second to respond to the comments of the gentleman who just spoke. I very much admire the way the gentleman attends to the needs of his district and his constituents and his substantive concerns. But I want to make clear something which I said earlier with respect to that nuclear power plant in Cuba, since he was referring to me in his comments.

As I said earlier in my exchange with the gentleman from Florida, I very much agree with people on the substance of the question of the nuclear power plant in Cuba. I think it should not be built. I think it is very bad business. I think the Russians should not be financing it in any way, shape, or form. There is no disagreement whatsoever on substance.

I would simply point out that the GAO report to which the gentleman referred was a 1992 report. My understanding is that that nuclear operation has been mothballed since 1993, and it is quite clear that the administration shares the gentleman's concerns about that plant and is trying to find the best way to see to it that it does not proceed and is not ever put in place. The only question before us is what the best way is to discourage that. The only question is how do you prevent it from actually happening. That is what is in dispute here.

So, with all due respect to people's concerns about it, which are legitimate, I would simply suggest that it is occasionally possible to be correct in terms of one's goal, while being very mistaken in terms of the means that one chooses to get to that goal. Sometimes you have a law of unintended consequences, which means that what you start out to try to stop, you in fact create because of inadvertence. I do not want that to happen here, which is why I am concerned that this amendment is considered on this bill, when I think it ought to be considered by another committee that knows a whole lot more about it than this committee does.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I want to tell the gentleman that I agree wholeheartedly with you. We would not want to mislead anybody in this House or this country that we are in support of Russia affording this opportunity to Cuba. We think his destination is right, he is just on the wrong bus to get to that destination.

I agree with you, the gentleman should have done it in the authorization bill, not in this bill. So I agree with you, but I want everybody to know that I do not disagree with the destination. We do not want that plant in Cuba under any circumstances, and

we do not want Russia contributing to that.

Mr. OBEY. Mr. Chairman, reclaiming my time, none of us do. It could be a significant threat to the security of the United States. Everybody recognizes that. The question is, what is the best way to see to it that it never happens, and I think to achieve that we all need to work together on another vehicle.

Mr. WILSON. Mr. Chairman, if the gentleman will yield, does the ranking member agree with me that as a matter of national pride and national dignity and probably of politics in Moscow, that if the United States tells Russia they cannot do it, then they have to do it?

Mr. OBEY. Mr. Chairman, I know how we would react as Americans. If somebody tells America, "You cannot do something or we are going to do X to you," that is when the Americans have the fur on the back of their neck go up and they say, "Tough, buddy, we are going to do it." That is human nature. So the question is how do you handle this in a way that people do not do dumb things because they are following emotion rather than logic.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I thank my good friend for yielding.

Mr. Chairman, I rise in strong support of this committee's proposal, and I am especially grateful for the work that Chairman CALLAHAN and Chairman LIVINGSTON have done to establish a new child survival account. Since I have been in Congress, since the early 1980's, there has been a bipartisan effort to preserve and fence off money for immunizations and for oral rehydration money, which has literally saved millions of children because of that very modest investment.

I have witnessed during the 1980's two mass vaccination days in Central America and saw thousands of kids vaccinated against preventable diseases like diphtheria, tetanus, and other preventable diseases. Yet we find that millions of kids still die. We have still not brought the blessings of the child survival revolution to all those to whom we could bring it, and this account will go very, very far in trying to advance that, especially in times of budget austerity.

I would just remind Members that when we consider the authorizing bill, I had offered language that was accepted by the committee to fence off money, to earmark money, that would be used for child survival activities. It passed in a bipartisan way in committee, and a soft earmark has been retained on the floor of the House.

Let me just say why I think that is so important. When Brian Atwood testified before our committee 2 days before our markup, he said that a 30 percent cut in USAID's child survival program, and there was no cutting in the program, it was a cut in DA, would

mean that more than 4 million children will likely not be vaccinated, greatly heightening their risk of death from severe illness.

He went on to say if there was a cut across the board in DA, development authority, that that would automatically translate into a cut for child survival. It is a matter of who manages the cuts.

Mr. Chairman, I think it is important for us to say we do not want to see any of these cuts. But if cuts have to be, children should come first.

I again want to salute the gentleman from Alabama [Mr. CALLAHAN] for making sure that children do indeed come first and are protected from cuts.

Mr. Chairman, foreign aid has its share of critics, and perhaps more than its share. This fact was reflected in our recently enacted foreign relations bill, which made significant cuts in foreign aid and was nonetheless subject to criticism in some quarters that it did not cut deeply enough. To some extent, the voters' distrust of foreign aid is warranted. In far too many cases, foreign aid has proved to be the ticket to the high life for corrupt bureaucrats in developing nations, while their people remain mired in poverty.

But let us be clear about what it is that people object to when they object to foreign aid. Everyone objects to corruption in the system. Many object to spending money on infrastructure projects in developing countries while money is running out for similar projects here at home. And many object to funding abortion and heavy-handed population control tactics. But what virtually no one objects to is the aid that goes directly to saving lives.

People are not skeptical about foreign aid because they believe that foreign aid has vaccinated too many children, fed too many starving people, or turned too many swords into plowshares. They are skeptical because they believe that foreign aid has paid for too many unnecessary government offices and limousines, or has been siphoned off by yet another corrupt politician. So the best political solution is also the best policy: accept the reality that resources are limited, cut the limousines, and save the food and medicine.

The intent of Congress in preserving child survival funds in an era of budget austerity is emphatically to save the funds for medicine, micronutrients, and vaccine. We intend to keep such funds from being siphoned off, either to luxurious perks, or to forms of foreign aid that lack a measurable positive impact on child morbidity.

Even in this age of advanced medical progress, this world still witnesses the preventable deaths of millions of children. We still have:

More than a million deaths per year due to measles, according to UNICEF.

Still over 100,000 cases per year of polio, despite large strides toward eradicating it, according to Dr. Jong Wook Lee of the World Health Organization.

Half of all child deaths are caused by either diarrhea or pneumonia, according to UNICEF. Yet these deaths are highly preventable: by early detection and antibiotics, in the case of pneumonia, and by oral rehydration therapy, in the case of diarrhea.

Furthermore, the World Health Organization reports:

Over a million child deaths per year from malaria; 17 million cases of river blindness and elephantiasis; 25,000 new cases per year of African sleeping sickness; 10–12 million case worldwide of leprosy, or Hansen's Disease.

Unfortunately, when Congress does not speak clearly enough on how the funds it appropriates for child survival are to be spent, they are sometimes spent in ways that do not put child survival first. In a hearing before the International Relations Committee earlier this year, Brian Atwood, Administrator of AID, told us that funds designated for child survival had been drawn down for emergency relief, while population funds had not been similarly touched. The operating assumption seems to be: population means population, but child survival means a general humanitarian fund.

Congress must state clearly that child survival means child survival—not population control or anything else. Whatever the proper place of family planning in U.S. foreign aid, it should not operate at the expense of child survival. Family planning implicates fundamental disagreements about morality, family life, and, in the case of abortion, about life itself. But child survival is something that all of us, on both sides of the population and abortion issues, can support. Child survival can and should bring us together, whatever battles we may need to fight over other issues.

Unfortunately, the Clinton administration is conspicuously absent from this broad coalition in favor of putting children first. At a recent hearing, Mr. Atwood explained how he would manage the one-third cut in Development Assistance funding:

A 30-percent cut in USAID's child survival program would mean that more than 4 million children will likely not be vaccinated, greatly heightening their risk of death or severe illness from such preventable diseases as measles, whooping cough, and diphtheria.

But there is one fact that puts Mr. Atwood's remarks in an alarming light. Our bill does not cut child survival. It cuts foreign aid overall, while attempting to protect child survival. Mr. Atwood, it seems, was not expressing a fear—he was issuing a threat. He was saying, if you cut Development Assistance, we will take that cut out of child survival.

Mr. Atwood continued:

Oral Rehydration Therapy [ORT] prevents an estimated 1 million deaths a year due to acute diarrhea. Usage rates for ORT in all areas of the world have risen to 40–65 percent. Despite the steady growth in ORT use, 3 million children still die from diarrheal disease annually. A cut of 30 percent in child survival resources would likely mean at least 100,000 children's lives would be lost each year for lack of this cheap and simple treatment.

Chilling facts indeed—especially when you consider that such consequences could easily be avoided if USAID were to concentrate its Development Assistance cuts on something other than child survival.

This is why Congress must not send up language that gives USAID any leeway on child survival.

The Child Survival Account that the Appropriations Committee's bill would establish is a step in the direction of broadly supported humanitarian foreign aid. These funds will go, for instance:

Toward oral rehydration therapy, which saves more than a million lives a year;

Toward vaccination, so that the effective extinction of polio and measles can be brought about, as has already been done with smallpox;

Toward eliminating Vitamin A and iodine deficiencies, thereby preventing blindness, illness, and death for untold numbers of children in the developing world; and

To UNICEF, which has a long record of saving children's lives.

UNICEF's research shows us how far we have come—and how far we still have to go—in fighting childhood diseases and improving childhood nutrition. Consider the case of polio.

Worldwide estimates of polio cases have fallen from 400,000 in 1980 to just over 100,000 in 1993. But at the same time, there are still 68 countries where the polio virus is crippling children. Carrying out a vaccination program in places where outbreaks are still occurring can be expensive. Furthermore, the perception that polio is almost extinct makes it hard to generate the political will to make those expenditures, especially when other diseases seem to pose a much graver threat. Yet if the final extermination of polio is not achieved, the disease could mount a mighty comeback when a generation of unvaccinated children starts to grow up. Funds for UNICEF can help prevent this vicious circle from becoming a reality.

Consider measles. Not as terrifying as polio, perhaps—yet UNICEF estimates that it causes 1 to 2 million child deaths each year, and often leaves even its survivors with severe malnutrition. Like polio, measles can be eliminated—provided the funding for vaccination continues even after the disease becomes rare. In 1994, Indonesia held a national immunization day targeted at both polio and measles, but health authorities there had to scale it back to polio alone due to inadequate funds. Indonesia is therefore at greater risk of a resurgence of measles.

Consider child nutrition. Vitamin A is increasingly recognized as a low-cost way to reduce child mortality by between a quarter and a third in many developing nations. UNICEF calls vitamin A the most cost-effective of all interventions for children. One study showed that malnourished children with adequate vitamin A were less likely to die than well-nourished children who were deficient in vitamin A. Consequently, UNICEF is undertaking a campaign to promote the fortification of common foods with vitamin A, and to make vitamin capsules available in areas of acute need.

I have both high hopes and great fears about UNICEF. High hopes that it will continue as a pathbreaker in child survival projects, as it has done for decades. And great fears that it will veer from its core mission into areas such as family planning, which are dealt with by other U.N. agencies, and which tend to fracture the coalition that supports UNICEF.

Over the years, liberals and conservatives alike have bought UNICEF greeting cards, encouraged their children to trick or treat for UNICEF, and even supported larger and larger contributions over the years by the United States. Continuation of this unusual consensus is most unlikely if UNICEF ventures into the most morally landmined field in all of foreign aid.

The Subcommittee on International Operations and Human Rights, which I chair, will be holding oversight hearings on UNICEF. We hope and expect to find through these hearings that UNICEF has remained faithful to its

core mission of fighting child morbidity and promoting child health. In that regard, I welcome the declaration on family planning that UNICEF makes in its 1995 report called *The Progress of Nations*. That declaration makes clear that under the division of labor that characterizes U.N. agencies, UNICEF's mission of improving the well-being of children and women is different from that of the agencies that promote family planning.

The core mission of UNICEF, and other important child survival activities, will be helped greatly by the child survival and disease program fund set up by this bill. This fund is foreign aid as it was meant to be. This Congress is making cuts, but it is not making them blindly or callously. It is cutting waste and extravagance, while preserving the heart of foreign aid. I commend the appropriators for their work, and I urge a "yes" vote on the foreign operations appropriations bill.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to respond to the gentleman from New Jersey, and give him a lot of credit, because he, along with the gentleman from Virginia [Mr. WOLF] and the gentleman from Ohio [Mr. HALL] came and suggested that we do something to ensure that as we dramatically downsize foreign aid, that we do not preclude the ability of the administration to have a sufficient amount of money to feed starving children, and to provide the immunizations programs that will help eradicate polio. So I compliment the gentleman.

Mrs. MALONEY. Mr. Chairman, I rise in support of the foreign operations funding bill.

I do so with the view that this is not a perfect bill. In many respects, it represents a step backward in U.S. commitment to promoting development and democracy around the world.

I am concerned about the 34-percent cut in African aid. This is bad public policy on humanitarian grounds. These cuts also make no fiscal sense. Investing a small amount in African development today will save many more tax dollars in emergency intervention in the future.

I am also concerned that the bill contains language allowing for continued United States aid to Azerbaijan, despite that nation's unconscionable blockade of Armenia. Allowing our allies to block U.S. humanitarian assistance represents a complete undermining of our foreign policy objectives.

Despite these problems, the bill contains many important provisions, and I want to thank Chairman CALLAHAN and my good friend DAVE OBEY for their work.

I strongly support the inclusion of \$3 billion in economic and military assistance for Israel. As our only democratic ally in the Middle East continues to travel down the historic—and often dangerous—road toward peace, it is imperative that our country ensure Israel's economic viability and military advantage in the region.

I am pleased that the bill maintains \$15 million for Cyprus. It has been two decades since the brutal Turkish invasion of this beautiful island nation. This relatively small amount of money goes a long way toward helping the Cypriot people with critical economic development and peace-enhancing activities.

I also want to convey my strong support for the funding for the International Fund for Ireland. President Clinton and the Congress have much to be proud of with respect to the profound and peaceful changes in Ireland. We therefore must renew our commitment to the heroic Irish people.

I ask my colleagues to support this bill. It is not perfection, but it is very important nevertheless.

Mr. ROTH. Mr. Chairman, this legislation poses a dilemma. Some of its provisions, such as the funding for export-related functions, are vitally necessary for our economic growth and job creation.

The bill continues current levels of funding of the Export-Import Bank, which helps finance U.S. exports.

The bill also provides \$100 million for the Exim Warchest, which is used to counteract unfair trade practices by foreign governments. This, too, is essential for our competitive position in global markets. Further, the bill provides a substantial increase in the operating levels for the Overseas Private Investment Corporation [OPIC].

This is consistent with our authorizing bill last year, in which we tripled OPIC's authorizing levels to \$9.5 billion. Let me point out that OPIC does not use any taxpayer funds—it pays for itself and even makes money for the Government—last year earning \$167 million. OPIC also maintains reserves to cover its liabilities, with \$2.3 billion currently on deposit in the Treasury.

None of these funds come from the taxpayer. Everything was earned through OPIC's business activities. The truth is, this appropriations bill simply allows OPIC to use the money that it has already earned on its own.

The bill also provides funds for the Trade and Development Agency, which generates U.S. exports by funding the engineering and feasibility studies for major construction projects overseas.

Our subcommittee's oversight hearings have shown that TDA generates \$25 in exports for every \$1 it spends. That is an excellent return on our investment. Therefore, I am concerned that this bill cuts TDA by \$5 million. I hope this provision can be revisited later.

The importance of each of these export programs is underscored by the latest trade data, which came out yesterday. The overall deficit in April was \$11 billion, the worst month in 3 years. The deficit in goods was \$16 billion. That is \$1.7 billion worse than in March.

In April, our exports actually went down by nearly a billion dollars, while imports went up by \$700 million.

In other words, our trade deficit, which last year was the worst in our history, is getting even worse. The bottom line is, if our exports do not recover, we will certainly fall into a recession.

In recent years, exports have provided most of our economic growth, as much as 80 percent. Clearly, we need the export programs in this bill.

Therefore, I commend the Gentleman from Alabama [Mr. CALLAHAN] and the gentleman from Louisiana [Mr. LIVINGSTON] for these vital job-creating provisions. Unfortunately, other parts of the bill represent business as usual in doling out foreign aid.

The bill makes some cuts in foreign aid, but not enough, in my judgment. AID still gets \$5.7 billion, including \$530 million in operating

expenses. Why does it cost a half a billion dollars to run a \$5 billion program? Over the past 10 years, AID's programs have gone down 23 percent, but its operating costs have gone up 40 percent.

It makes no sense that operating costs go up when the overall program is going down. In particular, I oppose the \$29 million which is provided for AID downsizing. What sense does it make to appropriate more money to shut down missions and reduce the Agency? That represents the triumph of bureaucratic thinking over common sense.

Yes, we absolutely should cut down AID, but let us not give the bureaucrats even more money to carry this out. Many amendments will be offered to this bill.

Some will propose further reductions in foreign aid. Some will propose ill-considered reductions in support for our exporters. And some would actually increase foreign aid spending. The fate of this bill hangs in the outcome of these amendments.

I urge my colleagues to join me in supporting the export-related provisions and in making further reductions in foreign aid.

Mr. WILSON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. MCKEON] having assumed the Chair, Mr. BOEHNER, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1868), making appropriations for foreign operations export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes, had come to no resolution thereon.

CONFERENCE REPORT ON H.R. 483, MEDICARE SELECT POLICIES

Mr. BILIRAKIS submitted the following conference report and statement on the bill (H.R. 483) to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-157)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 483), to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: