

The Senate could also consider any other legislative or executive items cleared for action. As a reminder, Members have until 10 a.m. to file second-degree amendments to the bankruptcy bill.

ORDER FOR ADJOURNMENT

Mr. SESSIONS. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of the Senator from Nebraska, Senator KERREY.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The request for the Senate adjournment is granted, without objection. The Senate is in quorum call. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SESSIONS). Without objection, it is so ordered.

SITUATION IN RUSSIA

Mr. KERREY. Mr. President, 7 years ago last month, hard-line and aging Communist bosses in the Soviet Union made a clumsy attempt at a coup d'etat against then President Gorbachev. The coup accelerated the slow-motion implosion of the Soviet empire. By December of that year, our old nemesis had collapsed in an overwhelming, decisive and total victory for the United States. This ended 50 years of cold war that had exacted a tremendous toll in blood, sweat and treasure from our Nation. Our emotions ran the gamut from pride to relief—relief especially that the dark cloud of nuclear annihilation seemed to have passed and, in a more subtle way, relief that the heavy burden of leading the world in a battle for freedom against communism had been lifted from our shoulders. We clamored for a peace dividend. We reveled in our newfound ability to focus the Nation's energy on domestic affairs.

But the last few weeks of events in Russia have been a rude wake-up call, a convincing demonstration that neither the danger nor the burden have been lifted. If anything, Mr. President, they are greater. Russia's economy and currency have been stressed to the point of breaking. President Yeltsin's government is in grave crisis. The men and women who tend Russia's nuclear arsenal—the one remaining threat on this planet to the instantaneous extinction of the United States—have not been paid, by some reports, inasmuch as a year.

The danger is still great, Mr. President, but so is the burden, and it is that burden I want to discuss this evening.

We may react to these developments with a tinge of surprise. It is an axiom of the American tradition—an axiom, incidentally, in which I firmly believe—that democracies do not behave this way. When last most of us tuned in to the Russian saga, they had held democratic elections. They had abandoned central planning and other tenets of Communist ideology and embraced basic precepts of capitalism. They had agreed to swallow the magic elixir that we all assumed would cure the disease and now—just when we thought it might be safe to retreat from our global responsibilities—they are sick again. And once again, the burden of global leadership is thrust upon us.

What happened?

Let me stipulate, first of all, that I don't believe capitalism and democracy are magic elixirs that cure all diseases in a single dose. But I do believe that, taken as a rigorous regimen of treatment, they are about as good a cure for a whole variety of ills as we will ever find.

What we are learning, Mr. President, isn't that democracy and free markets are bad medicine, but that it is tough medicine that works as part of a sustained regimen. We are learning that democracy does not exist simply because the first election was called, and that capitalism does not exist the moment after the central planners are fired. Infrastructure must be built to sustain and manage these systems in a lawful manner. I believe the true test of the success of Russia will be determined by our ability to help the Russian people build this infrastructure.

The first institution that must undergird capitalism and democracy is the rule of law. The importance of that institution is illustrated by one of this century's great inventions, the airplane. Five years passed from the first successful flight at Kitty Hawk to the first public demonstration of the "Wright Model A" in France. The reason is that the Wright brothers were busy litigating a patent. It was that protection—the protection of law for their invention—that unleashed the ingenuity of the air age. Without the knowledge that the law protected their right to earn a living off their own ingenuity, the air age might never have been born.

It is exactly this sort of simple institution of law that makes capitalism possible. Such institutions do not yet exist in Russia.

There is a joke that in America, when two businessmen agree on something, put their agreement down on a piece of paper and sign their names to it, they have a contract. In Russia, all they have is a piece of paper. Without the rule of law, the simple act of opening a business, marketing a new idea or so much as buying a house becomes foolish and risky.

What we have learned, and what the Russian people are learning, is that democracy is also hard work, and our

challenge now is to help the Russian people build the institutions that enable freedom to succeed. That Russia is still struggling to make democracy work should come as no surprise to us. For 222 years, we have been struggling with the same questions. On this day we are debating a bill whose goal is to fine-tune our own democracy. We helped the Russian people become free; now we must help them do the much harder work of being free. Mr. President, the true test of the success of Russia will be determined by our ability to help the Russian people build this infrastructure.

Despite these tall hurdles, the Russian people deserve credit for the long distance they have traveled.

They have created a democratic environment with the guarantee of essential freedoms like speech and press.

They have a functioning democratic electoral system. Boris Yeltsin is the democratically elected President of Russia. In turn, there is a democratically elected Duma controlled by an opposition party. As a result, Russia has learned the lesson that we in this body know all too well—democratic politics sometimes means gridlock.

Here as I see them are the areas in which Russia has fallen short:

Simply put, they have not done enough to establish the rule of law.

Because the style of capitalism they have implemented does not rest on the solid base of the rule of law, economic interactions have become distorted and unstable.

The government has not lived up to its responsibilities, and by failing to collect taxes and pay pensions, back wages and so forth, the government has lost the faith of the people. Corrupt privatization of state-owned enterprises and the failure to implement reforms, such as the protection of private property, have given the people a distorted vision of capitalism.

Take just the collection of taxes. We all know in this body that we just reformed the laws governing our Internal Revenue Service and reformed them because a significant percentage of Americans no longer trusted the tax collector.

But what we failed to acknowledge is, as bad as our system is, and as much as it can be improved—and I hope this legislation will improve it—a well functioning tax collector is a critical part, and a trusted tax collector is a critical part, of a functioning free market democratic form of Government.

As a result, the Russian people have become discouraged by "cowboy capitalism" and do not realize a true market economy should have the checks and balances of the rule of law.

Mr. President, we cannot be content to treat these simply as Russia's problems. And I submit there are three reasons why we cannot.

First, Russia's problems are our problems. Our own economy is not closely entwined with theirs, but it is not insulated either. Furthermore, the