

have any value in killing off infections in the animals. Over time, the practice of feeding antibiotics to livestock at "subtherapeutic" levels has become a common tool in the agriculture industry.

Unfortunately, this practice appears to be having an insidious side effect. Preliminary studies indicate that the bacteria in livestock may be developing an immunity to certain antibiotics as they are consistently exposed to these drugs at low levels. As the old saying goes, that which does not kill them makes them stronger.

This amendment would shift a very modest amount of funds within the Food and Drug Administration budget to the FDA's Center for Veterinary Medicine. With this funding, the Center could move more quickly on its top priority, assessing and preventing the growth of antimicrobial resistance related to livestock husbandry practices.

We must take action if we expect antibiotics to continue being effective in treating human ailments. None of us want to return to a day when a bout of pneumonia could easily mean a death sentence for one's child or parent. I urge my colleagues to support the Brown-Waxman-Slaughter amendment.

PERSONAL EXPLANATION

HON. WILLIAM L. JENKINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 2000

Mr. JENKINS. Mr. Speaker, as a result of inclement weather delaying my arrival to Washington, I was not present for rollcall votes 373, 374, and 375. Had I been present, I would have voted "aye" on No. 373, "no" on No. 374, and "aye" on No. 375.

PERSONAL EXPLANATION

HON. VITO FOSSELLA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 2000

Mr. FOSSELLA. Mr. Speaker, I am not recorded on rollcall numbers 373, 375, 376, 377, and 378. I was unavoidably detained due to inclement weather, and therefore, was not present to vote. Had I been present, I would have voted "yes" on 373, "yes" on 375, "no" on 376, "yes" on 377, and "no" on 378.

IMF LOANS TO RUSSIA: WHAT HAVE THEY REALLY SUPPORTED?

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 2000

Mr. GILMAN. Mr. Speaker, I would like to bring to the attention of my colleagues an op-ed article published in the "Wall Street Journal Europe" on June 8th by Mr. Boris Fedorov, a former Finance Minister in the government of the Russian Federation.

This article, entitled "No More 'Help' for Russia, Please," paints a dismal picture of what has really been accomplished in Russia

after the extension of more than \$20 billion in low-cost loans to the Russian government by the International Monetary Fund. Average Russians have been disappointed and angered by what they see as the IMF's complicity in the vast corruption that has afflicted their country over the past decade. The Russian economy, propped up temporarily by a devaluation of the currency and the recent rise in oil prices, is marred by extensive poverty. Healthcare, education systems, highways deterioration.

What has happened to the \$20 billion that the IMF has lent the Russian government over the past few years? Why has the Russian government failed, time and again, to meet its fiscal obligations to its own people, despite those IMF loans and the outright assistance provided to that government by the United States and other aid donors?

For one thing, the Russian government still insists on financing a "superpower-sized army and bureaucracy" that it cannot afford, as Mr. Fedorov states, and the rampant corruption in Russian government and industry is another important cause of the fiscal nightmare in that country. But Mr. Fedorov also points out the most important reason in the following words: "Indeed, the pattern since Mikhail Gorbachev's time is unmistakable: reform talk followed by loans to underwrite reforms, followed by a collapse of the reform plans, followed by debt restructuring, more talk of reforms, more loans and so on. When lack of reforms is remunerated with new loans and debt write-offs, when the worst abusers of the current system live nicely off the spoils of what is effectively thievery . . . one starts having doubts about the message we get from the democracies of the West."

Mr. Speaker, I strongly recommend this important article to those of our colleagues who are seeking to better understand just what has gone wrong in our policy toward Russia over the past decade. I submit the full text of Fedorov article be inserted at this point in the RECORD:

[From the Wall Street Journal Europe, June 8, 2000]

NO MORE "HELP" FOR RUSSIA, PLEASE
(By Boris Fedorov, former Finance Minister of Russia)

For the last 10 years, the debate about Western assistance to Russia has revolved, superficially, around the question "to give or not to give." Despite all evidence to the contrary, the answer is always "to give" because this is seen as helping Russia. Thus for a decade, Russia is regularly dispensed a drug which never cures but keeps the patient in a vegetative state. And the drug habit is growing.

Who are the quacks? The list of names is familiar. The Clinton Treasury, the G-7, Michel Camdessus' IMF. Just days ago in Moscow, President Clinton reiterated his support for new loans to Russia. And U.S. Vice President Al Gore claims that Russia is a foreign policy victory. Why? Apparently because the current Russian government has released the country's umpteenth economic plan, which is considered to be "good." Other people are naturally well-intended. Still others think that it is worth a billion per year to keep Russia quiet in military terms.

But the results are dismal. More Russians are anti-Western today than a decade ago. Russia is economically weaker than 10 years ago after all the IMF-sponsored reforms. We have more corruption and poverty than under communism, and too many citizens

want to return to a time they see as having offered them a better life. The questions are, what have loans done for Russia and does the country really need new loans now?

The roughly \$20 billion pumped into the Russian budget over the last decade have, in fact, had no positive effect whatsoever. This is not surprising, given the black-hole nature of the Russian budget. Money, being fungible, was misspent and ended up in the hands of a few well-connected people and in Western banks. Russian citizens definitely did not benefit from this "assistance," judging by the pitiful state of healthcare, education, public security, roads and nearly every other public sector sphere.

TRADE SURPLUS

A country rich in natural resources with a trade surplus of \$4 to \$5 billion a month (not counting capital flight of similar proportions) does not really need IMF money. I've heard some argue that the loans to Russia were too small to have made much of a difference in any case. The IMF, they claim, may have acted cravenly in seeking to cover its own exposed positions by throwing good money after bad, but the loans were at worst wasteful, not harmful. They are wrong.

This view misses the corrosive impact that an IMF imprimatur had on government officials, the formulation of their economic plan and on international credit markets, which figured the IMF would assume a lender-of-last-resort function—in other words, the moral hazard that was created. An economic system in which corporate assets are routinely stolen, investors ripped off and the creditors deceived has been built with the help of Mr. Clinton and the IMF. This is a system that no Western politician would dare to advocate for his own country. Why do you impose it on us by underwriting it with your taxpayers' money?

We hear often these days about the booming Russian economy, cited as evidence of the success of Western policies toward Russia. The Clinton administration and IMF speak glowingly about how a new, democratically elected president has adopted an economic program that is much more liberal than its predecessors, and thus deserves more support. The new Russian government, however, is operating under a false sense of security, which is very much encouraged by the favorable remarks of Mr. Clinton and other Western leaders.

On closer examination, however, the new optimism about the economy is no more firmly grounded than it has been in the past. Economic growth is still behind pre-reform levels, and in large measure is due to higher commodity prices rather than an increase of investment and value added in the economy. Higher tax revenues are also cited as a sign that wealth is expanding. But revenues are actually lower in dollar terms. The government also cites better budget discipline, but this too is illusory, since much of the drastically depreciated expenditure was not indexed. There are more U.S. dollars under the mattresses of our citizens than the overall ruble money supply of Russia.

Is the Russian economy really reformed? Is productivity higher and corruption lower? Are structural reforms in progress? Does anybody believe that a country with an annual federal budget of \$25 billion (less than America spends on its prisons) can really maintain a superpower-size army and bureaucracy?

The false sense of achievement and the new prosperity comes largely from the effects of the 1998 ruble devaluation combined with a high oil price. It has very little to do with economic reform. And still Mr. Clinton is in a hurry to say that America will support IMF loans to Russia because the economic