

Earlier this week, a peacekeeper from New Zealand, Leonard William Manning, was killed while tracking a group of men whom senior officials in Timor have identified as militia members who had crossed into East Timor from Indonesia. Private Manning was serving the cause of peace, his death is tragic, and I want to take this opportunity to express my sympathy to his family.

In the wake of this incident, the United Nations Security Council and the ASEAN Regional Forum have called on Indonesia to disband and disarm the militias operating in the refugee camps of West Timor, and to stop the militias' cross-border incursions into East Timor. But Mr. President, this call has echoed around the world for months now. It is a call that has gone unheeded.

The activities of Indonesian militias threaten the stability of Indonesia, the safety of peacekeepers and humanitarian workers, and the basic human rights of Indonesians and East Timorese. It was the militia, Mr. President, that waged a brutal campaign of violence and destruction immediately after East Timor's vote for independence last year. It was the militia that enjoyed the direct support of the Indonesian military throughout that operation. And it is the militia that continues to operate in the refugee camps of West Timor, where the most vulnerable East Timorese are subjected to threats and intimidation. It is the militia that has forced UNHCR to suspend operations in West Timor after a series of violent assaults on its staff.

I believe that many in the Indonesian government, including President Wahid, want to stop the militia violence and to end the intimidation in the refugee camps. But they are unable to make this happen, because too many people in powerful positions in Indonesia remain unwilling to make it happen. And that, Mr. President, is all that this country needs to know when the question of resuming military relations with Indonesia comes up.

Ominous reports of a deeply disturbing relationship between the Indonesian military and the militias continue to pour out of the region. Peacekeepers on the ground in East Timor have noted that the group that attacked Private Manning appeared to have benefitted from serious and significant military training. At one point recently, UNHCR personnel witnessed militiamen beat a refugee from East Timor and rob several others while a 70-strong Indonesian military detachment witnessed the incident but did not intervene.

And it's not just Timor, Mr. President. In the Moluccas, where sectarian violence has risen to such alarming levels that many have pondered international intervention, reliable reports indicate the Indonesian military has

been complicit in the conflict, and has even provided support to certain factions. In Papua, or Irian Jaya, militia groups have already taken violent action against community leaders.

The simple and unfortunate facts, Mr. President, are that a power struggle continues in Indonesia, between those committed to a responsible and professional military operating under civilian control, and those who would cling to the abusive patterns of the past. I have introduced a bill, the East Timor Repatriation and Security Act of 2000, which would codify a suspension of military and security relations with and assistance to Indonesia until certain conditions are met. This legislation would permit military and security programs from J-CETS to military sales to resume only when the President determines and submits a report to the appropriate congressional committees that the Government of Indonesia and the Indonesian Armed Forces are doing the following—

Taking effective measures to bring to justice members of the armed forces and militia groups against whom there is credible evidence of human rights violations;

Taking effective measures to bring to justice members of the armed forces against whom there is credible evidence of aiding or abetting militia groups;

Allowing displaced persons and refugees to return home to East Timor, including providing safe passage for refugees returning from West Timor;

Not impeding the activities of the United Nations Transitional Authority in East Timor;

Demonstrating a commitment to preventing incursions into East Timor by members of militia groups in West Timor; and

Demonstrating a commitment to accountability by cooperating with investigations and prosecutions of members of the Indonesian Armed Forces and military groups responsible for human rights violations in Indonesia and East Timor.

These certainly are not unreasonable conditions. They work in favor of the forces of reform within Indonesia. And by linking military and security assistance to these benchmarks, Congress will ensure that the U.S. relationship with Jakarta avoids the mistakes of the past, and that U.S. foreign policy comes closer to reflecting our core national values.

But recent events make it crystal clear that these conditions have not yet been met. Mr. President, the U.S. must continue to insist on them. In the pursuit of justice, in the pursuit of stability, and in support of the forces of reform, this country cannot send a signal that where we are today is somehow good enough. Again, Mr. President, I add my voice to the chorus, because U.S., Indonesian, and Timorese

interests all demand that the militias be stopped and that the military must be united in the pursuit of professionalism, accountability, and civilian control.

THE CLASS ACTION FAIRNESS ACT

Mr. GRAMS. Mr. President, I want to today announce my support for S. 353, the Class Action Fairness Act, just reported by the Judiciary Committee, and announced my intention to complement this legislation by introducing legislation soon that will require lawyers representing plaintiffs in class actions to make preliminary disclosures estimating the anticipated attorneys' fee, and an explanation of the relative recoveries that both the attorney and class action clients can expect to receive if the claim is settled or decided favorably. My cosponsorship of the Class Action Fairness Act and intention to introduce my own legislation is prompted by some high profile class action case settlements that have generated a great deal of controversy. Labeled "coupon" settlements, these agreements have involved the class action claimants receiving coupons for discounts on later purchases of goods or services while the attorneys representing the class walk away with literally hundreds of thousands of dollars, or even millions of dollars, in fees. Often these coupons are for discounts on the same item rejected by the claimants in the class action.

For instance, several years ago many of the nation's airlines were sued based upon a claim that they had fixed prices. A database that the airlines were using to communicate fares to the travel industry was suspected of being used to compare and fix fares, and a Justice Department antitrust investigation thus ensued. The Justice Department subsequently filed a civil antitrust suit in 1992 and settled the case in 1994. But firms specializing in class action cases also brought their own civil suits against the airlines on behalf of air travelers. In fact, 37 firms were involved on the plaintiff side of the litigation.

A settlement was eventually reached that provided \$438 million worth of coupons to an unknown number of passengers, while the legal fees to plaintiffs' attorneys amounted to \$16 million. In other words, the passengers got coupons, and the lawyers got cash. You may be thinking that \$438 million in coupons sounds like a pretty generous amount of discounts for the passengers, but the details indicate otherwise. Each coupon was good for only a 10 percent maximum discount off an air fare. 4.2 million air travelers recovered between \$73 and \$140 in coupons, but, again, any one coupon was only good for 10 percent of the actual fare.

One particularly revealing fact about this settlement was that one airline

that had not been named as a defendant actually asked to be joined in the suit as a defendant because they saw the promotional value of all these coupons going to air travelers. So what ostensibly was a high stakes civil action degenerated into a promotional tool for the airlines, a negligible recovery for the class members, and a financial boon for the plaintiffs' attorneys.

It's not difficult to foresee the possibility of collusion between plaintiffs' and defendants' attorneys when the plaintiff attorneys can get huge fees and defendants can eliminate the risk of a large judgment. It obviously is an attractive option to a defendant to settle a case and pay large fees to a small number of people—specifically the attorneys—and avoid the risk of protracted litigation and lawyers seeking a jackpot recovery. Attorneys have a fiduciary duty to represent the best interests of their clients, but it's clear that in the cases of coupon settlement usually the primary interest served is their own.

So we now have a problem of plaintiff attorneys searching for causes for which they can bring suit, and then representing anonymous clients that they don't know and to which they have no accountability. In fact, many members of a class in a class action don't even know they are being represented. The windfall profits to attorneys has prompted a deluge of these type of suits, and recent studies indicate that in the last 36 months, some companies have faced a 300 to 1000% increase in the number of class actions filed against them. And you know the problem has gotten bad when the president of the Association of Trial Lawyers of America comes out against coupon settlements.

The problem of coupon settlements has been manifested primarily in state courts. Federal court judges generally, to their credit, have been more vigilant in policing such "sweetheart settlements." The problem of the proliferation of this type of litigation in state courts prompted Congress to seek a legislative remedy. The Judiciary recently marked up the Class Action Fairness Act, which moves many of these large, multi-state claims to the federal courts where they belong. Many of the class action trial lawyers have worked the system to keep their claims in state court, where they know there is not the expertise nor staff to handle the issues, and which provides them advantages over the defendant. The bill also requires the Judicial Conference of the United States to recommend best practices the courts can use to ensure settlements are fair to the class members, that attorneys fees are appropriate, and that the class members are the primary beneficiaries of the settlement.

I believe that these are important reforms, and I want to take the reforms

a step further by requiring attorneys in class action cases to make an up-front disclosure about the prospects for success and also give information about attorneys' fees and individual class member recovery in the event of a successful conclusion to the suit. If potential class members are likely to receive only a small fraction of what their attorney would receive, or perhaps a coupon which they may or may not end up using, then they need to be apprised of that fact from the start. These types of disclosures will at least put the potential class members on notice that perhaps the attorneys don't have some noble pursuit of justice in mind as much as they do getting a quick settlement that will net them huge profits, while the clients they ostensibly are trying to assist receive little or nothing.

Again, I am pleased to join as a cosponsor of S. 343, and look forward to introducing my own legislation to combat this abuse of our legal system.

EXPLANATION OF ABSENCE

Mrs. MURRAY. Mr. President, as my colleagues know, I had to return home to Washington state on Thursday of last week to attend the funeral of Mr. Bernie Whitebear. Unfortunately, I missed a series of roll call votes on H.R. 4461, the fiscal year 2001 agriculture appropriations bill, and the vote on the Conference Report of H.R. 4810, marriage tax penalty legislation. I wanted to take this opportunity to state for the Record how I would have voted had I been present.

On Roll Call Vote Number 221, the Harkin Amendment Number 3938, I would have voted "Yea."

On Roll Call Vote Number 222, the Wellstone Amendment Number 3919, I would have voted "Yea."

On Roll Call Vote Number 223, the Specter Amendment Number 3958, I would have voted "Yea."

On Roll Call Vote Number 224, on the question of whether the Durbin Amendment Number 3980 is germane to H.R. 4461, I would have voted "Yea."

On Roll Call Vote Number 225, on final passage of H.R. 4461, I would have voted "Yea."

On Roll Call Vote Number 226, on final passage of the Conference Report of H.R. 4810, I would have voted "Nay."

WHY FOREIGN AID?

Mr. LEAHY. Mr. President, I often hear from members of the public who feel that the United States is spending too much on "foreign aid." Why are we sending so much money abroad, they ask, when we have so many problems here at home?

This concerns me a great deal, because it has been shown over and over again that most Americans mistakenly believe that 15 percent of our national

budget goes to foreign aid. In fact it is about 1 percent. The other 99 percent goes for our national defense and to fund other domestic programs—to build roads, support farmers, protect the environment, build schools and hospitals, pay for law enforcement, and countless other things the governments does.

The United States has by far the largest economy in the world. We are unquestionably the wealthiest country. The amount we spend on foreign aid totals only a few dollars per American per year.

What does the rest of the world look like?

Imagine, for a moment, if the world's population were shrunk to a population of 100 people, with the current ratios staying the same. Of those 100 people, 57 would be Asians. There would be 21 Europeans. Fourteen would be from North and South America. Eight would be Africans.

Of those 100 people, 52 would be women, and 48 would be men. Seventy would be non-White, and 30 would be White. Seventy would be non-Christian, and 30 would be Christian.

Six people would possess 59 percent of the world's wealth, and all 6 would be Americans. Think about that.

Fifty people—one half of the population, would suffer from malnutrition. 80 out of 100 would live in substandard housing, often without safe water to drink.

Seventy would be illiterate. Only 1 would have a college education. And only 1 would own a computer.

Are we spending too much on foreign aid? These statistics put things in perspective. I would suggest that there are two reasons to conclude that not only are we not spending too much, we are not spending enough.

First, we are a wealthy country—far wealthier than any other. Yes we have problems. Serious problems. But they pale in comparison to the deprivation endured by over a billion of the world's people who live in extreme poverty, with incomes of less than \$1 per day. Like other industrialized countries, we have a moral responsibility to help.

Second, it is often said, but worth repeating, that our economy and our security are closely linked to the global economy and to the security of other countries. Although we call it foreign aid, it isn't just about helping others. These programs help us.

By raising incomes in poor countries we create new markets for American exports, the fastest growing sector of our economy.

Raising incomes abroad also reduces pressure on people to flee their own countries in search of a better life. One example that is close to home is Mexico, where half the population survives on an income of \$2 per day. Every day, thousands of people cross illegally from Mexico into the United States,