

EXTENSIONS OF REMARKS

INTERNATIONAL MONETARY STABILITY ACT

HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 24, 2001

Mr. RYAN of Wisconsin. Mr. Speaker, today I am reintroducing the International Monetary Stability Act, which I introduced in the previous Congress. The need for such an act is more pressing than ever.

Over the last decade there have been no fewer than seven major currency crises in developing countries. They have occurred in Africa's CFA franc zone (1993–94), Mexico (1994–95), East Asia (1997–98), Russia (1998), Brazil (1999), Turkey (2001), and Argentina (right now). In addition, there have been numerous minor crises.

These currency crises have often brought recession, bank failures, and political upheaval to the countries concerned. Some have spilled over to other countries and have even affected our own international trade and financial markets. American workers who produce goods for export to developing countries have seen their international competitiveness whipsawed by currency crises. It is no accident that, for example, U.S. steel producers have complained about the practices of producers in Brazil, South Korea, Russia, Ukraine—all countries that have had currency crises in recent years.

Amid the currency turmoil that has affected so many countries, the U.S. dollar has remained reliable. Though not perfect, the dollar is the standard by which other currencies are judged. The contrast between the performance of the dollar and the performance of most other currencies has created growing interest in official dollarization, whereby a country substantially or totally replaces its own currency with the dollar. By eliminating the national currency, dollarization eliminates currency crises. Until recently, Panama and a handful of micro-states were the only independent dollarized countries. However, East Timor and Ecuador became officially dollarized last year, joined by El Salvador this year. Dollarization is being debated around the world, particularly in Latin America.

An important barrier to official dollarization is loss of seigniorage, the profit from issuing a currency. Currently, a country that dollarizes loses seigniorage to the United States. Besides this economic cost, dollarization also has a political cost, which is the feeling that a country that gives up its national currency receives no consideration from the United States for doing so.

The International Monetary Stability Act would permit the United States to share with officially dollarized countries some of the extra seigniorage we would earn from them becoming dollarized. The Act would not require the

Federal Reserve to change U.S. monetary policy. Nor would the Act compel the United States to share seigniorage: if the Secretary of the Treasury judged that it was not in our best interest, he would not have to do so. Nor would the Act restrict countries that wish to dollarize: as is already the case, they could dollarize without qualifying to share seigniorage.

Without the International Monetary Stability Act, other relatively small countries may join those I have mentioned and become officially dollarized in the years to come. However, the larger the country, the higher its government and people perceive the economic and political costs of dollarization to be. The larger developing countries are precisely those whose currency crises have had the greatest international effect, including on the United States. The International Monetary Stability Act would reduce the perceived costs of dollarization in a way that would benefit both the United States and countries interested in dollarizing. It would provide a creative alternative to the policy of big international bailouts, which are well intentioned but have failed to prevent further crises in many of the countries that have been the largest recipients.

Mr. Speaker, monetary stability is in the interest of the United States and the rest of the world. Through the International Monetary Stability Act we can help extend its benefits.

IN HONOR OF KATHARINE GRAHAM

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 24, 2001

Ms. MILLENDER-McDONALD. Mr. Speaker, yesterday, Washington paid its last respect to an outstanding noble woman whose insight, courage and fortitude advanced one of this country's leading newspapers. I am here tonight to pay tribute to a visionary, business executive, women's rights activist, and a person very dear to me—Katharine Meyer Graham. While her passing deeply saddens me, I remain encouraged and uplifted by her legacy of courage and empowerment.

Before Katharine Graham, the Washington Post was a parochial local paper that lacked a national audience. Her profound vision and intellect transformed the landscape of American journalism and raised the standards for an impartial and free press. She took a small town paper and turned it into a national media giant known as the Washington Post Co., whose holdings include the Washington Post newspaper, Newsweek magazine, various television and cable broadcast systems, and interests in the International Herald Tribune and the Los Angeles Times-Washington Post News Service.

During the Nixon Presidency, the full scope of what became the Watergate Scandal would have never been known, had not this courageous woman stood up and said, "Print It!" The Post became the nemesis of the Nixon Administration. In turn, the President nearly crippled the Post with his failure to renew crucial television licenses, causing the paper's stock to plummet. During that crucial time, Katharine Graham showed the power of exposing truth. She championed the printing of the groundbreaking story, and insisted that the story be accurate and unbiased.

From the depths of the Watergate scandal to the top secret Defense Department reports on Vietnam known as the Pentagon papers, Katharine's stewardship of the Post and her indomitable spirit propelled her to become the most powerful woman in American newspaper history.

Katharine Graham commanded the largest Fortune 500 company ever run by a woman. She was chairwoman of the Executive Committee of the Washington Post Co., a Board Member of the Associated Press and President of the American Newspaper Publishers Association. This great woman was also the director of the newspaper Advertising Bureau Inc., a Trustee of the University of Chicago, George Washington University, and the Urban Institute, all this in addition to being a Pulitzer Prize winning author.

Katharine Graham's impact on women and young girls has been far reaching. This wonderful woman fought to overcome gender inequities prevalent in corporate America. She made it clear that women are a force to be reckoned with. Katharine Graham was a Board Member of the National Campaign to Reduce Teenage Pregnancy and a strong advocate for women's issues. She had the heart of a champion, which was evident in her life's commitments and accomplishments.

I am honored to have known this pioneer in my lifetime. To have known Mrs. Graham is to have known a trailblazing journalistic genius. Her legacy will live on through the Media powerhouse she built and the millions of lives she affected. I send my deepest sympathies to her family, friends, and colleagues. I will miss my dear friend tremendously.

HONORING JOHN TEETER OF PRESCOTT, ARKANSAS

HON. MIKE ROSS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 24, 2001

Mr. ROSS. Mr. Speaker, on Thursday, July 26, citizens in my hometown of Prescott, Arkansas, will be honoring one of our most beloved citizens, Mr. John Teeter. Mr. Teeter has devoted almost all of his adult life to serving his community and the people of Nevada County.

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