HOUSE OF REPRESENTATIVES—*Wednesday, June 12, 1991*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We remember with gratefulness those who are committed to public service and whose abilities and talents are used to benefit the people of our land. May their efforts be to provide assistance to those with need and to be devoted to the principles of justice for each person. Bless, O God, every member of our society, who seeks to encourage others so people will know the fruits of liberty and the opportunities of a just society. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Wyoming [Mr. THOMAS] come forward and lead the House in the Pledge of Allegiance.

Mr. THOMAS of Wyoming led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 91. Joint resolution designating June 10 through 16, 1991, as "Pediatric AIDS Awareness Week."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 64) entitled "An act to provide for the establishment of a National Commission on a Longer School Year, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. HATCH, and Mrs. KASSEBAUM, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 426. An act for the relief of Abby Cooke.

THE PRESIDENT'S PAST 100 DAYS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, tonight the President will call attention to his 100-day deadline for Congress to pass his domestic agenda. The President's time and energy might be better spent working with the Congress to solve the serious problems our country faces, instead of playing politics with them.

Let us look at the state of our country for the past 100 days. Over the last 100 days, unemployment rose from 6.5 percent to 6.9 percent, throwing close to another half million Americans out of work; 37 million Americans remained without any health insurance, including 24 million middle-class working men, women, and their dependents.

America is facing a health care crisis. Middle-class Americans are demanding help, and over the past 100 days the President has done nothing to address their needs. When I meet people in grocery stores or malls, they ask me what is being done about the economy and the high cost of health care. They are concerned, frustrated, and outraged about the costs and scared of the very real possibility of losing their jobs and their health care benefits.

Over the past 100 days, working middle-class American families have waited anxiously for leadership from their President on the problems that they live with every day. They need a plan to address the soaring costs of health care. They need a plan that offers them relief from constantly rising taxes. They need a plan that promotes access to educational opportunities for their country. Stop telling them that they are not eligible.

If the President does not hear the people crying out for help, then he is not listening.

Now is the time to pay as much attention to the homefront as the President did to the warfront.

The American people need the President's attention, not politics.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to express its welcome to all of our visitors in the Gallery, but to admonish all visitors that expressions of approval or disapproval by applause or otherwise are contrary to the rules of the House, and the Chair would appreciate our guests observing the rule.

CONGRESS HAS DONE NOTHING TO CONTROL CRIME

(Mr. PAXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, just 2 days ago, four people were wounded, one critically, in Buffalo's latest drive-by shooting when a carload of gang members opened fire on a neighborhood park crowded with mothers and their small children.

Buffalo police report that there have already been more than 35 drive-by shootings in the Queen's City so far this year, and across the country violent crime has risen by 10 percent last year.

Mr. Speaker, someone is murdered in this country every 24 minutes, a woman raped every 6 minutes.

But what has Congress done to stop the scourge of violent crime in America? Congress has done nothing.

This Friday marks the 100th day since President Bush stood in this Chamber and challenged Congress to act on his crime measure, and yet in those 100 days anticrime legislation has not even been voted on in committee.

Maybe some in Congress think the American people do not care about crime, but the victims of Buffalo's latest drive-by shootings, the victims of crime across this country, certainly care. They do not want to be controlled by crime any longer. They want to control crime. This Congress should act to do that now.

GOVERNMENT BY PRESS RELEASE, GIMMICK AND SYMBOLS

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, today we have a classic example of government by press release, government by gimmick, government by symbols totally devoid of any substance.

Our colleagues on the other side of the aisle and the President are crying great crocodile tears over the fact that a crime bill and a transportation bill have not been passed by an arbitrary deadline. Everyone knows that Con-

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gress will pass legislation in both of these important areas this year. That is not the real issue confronting the American people.

The real issue is that this administration has no program to deal with the fundamental problems facing the American public today. This administration has no program to deal with the health care crisis. This administration has no program to deal with unemployment. This administration has no effective program to clean up the savings and loan mess, but is sinking deeper and deeper each day into a financial crisis.

This administration, Mr. Speaker, is 100 percent gimmick, 100 percent press release, and no substance. We have a President and a Republican Party that simply is not up to the task of solving our Nation's problems. It is a tragic situation. Mr. Speaker, this administration and his party are all button and no shirt.

IN SUPPORT OF PRESIDENT'S COMPREHENSIVE VIOLENT CRIME CONTROL PACKAGE

(Mr. HOBSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOBSON. Mr. Speaker, I rise today to express my support for the comprehensive violent crime control package unveiled by President Bush on March 14. The President says that a basic civil right is to be free from fear and I agree. The American people need and deserve help in their struggle to take back the streets, in their fight against crime. Just as we stood by our brave troops in Operation Desert Storm, we must now stand up for America's prosecutors, police officers, and crime victims. Congress needs to pass legislation to help those who protect us by giving them the tools they need to get the job done. We cannot accept an ineffective crime bill that is tougher on law enforcement and victims than it is on criminals. Progress was made last year when legislation was passed that attempted to deal with these serious issues. Now we're back with a new 1991 package which is more comprehensive in its scope and thorough in its details. This proposal increases the penalties for crimes committed with a firearm and strengthens the death penalty. It also contains new provisions dealing with terrorism, violence against women, gangs, and juvenile offenders. Children are the most vulnerable people in society, and we in Congress have a responsibility to do everything we can to protect them. We in Congress have been challenged to approve this crucial crime control legislation in 100 days. We now have only a few days until the Friday deadline. Let us get down to the business of fighting criminals. The President's bill deserves our full support, and the time for action is now.

□ 1010

CHAIRMAN OF COMMITTEE ON RULES INFORMS MEMBERS OF DEADLINE FOR FILING AMENDMENTS TO FOREIGN OPERATIONS APPROPRIATIONS BILL, FISCAL YEAR 1992

The SPEAKER. For what purpose does the gentleman from Massachusetts [Mr. MOAKLEY] rise?

Mr. MOAKLEY. Mr. Speaker, I would like to inform Members that the Committee on Appropriations may request a rule that would require amendments to be submitted prior to the consideration of the fiscal 1992 foreign operations appropriations bill.

To fully protect their rights, Members should submit 55 copies of their amendment, and a brief explanation of their amendment, to the Rules Committee in H-312 of the Capitol no later than 5 p.m. on Monday, June 17.

This should allow Members ample time to prepare and submit their amendments.

Though the Appropriations Committee has not yet formally made this request, I wanted to call this matter to the attention of the House to assure that Members' interests are not circumscribed.

It is anticipated that the Rules Committee will meet to grant a rule on Tuesday, June 18, and the House will consider the bill on Wednesday, June 19.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Georgia.

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Speaker, I wanted to inquire on behalf of Members, this would not in any way eliminate or weaken or limit any Member's right to offer a motion to strike, which I understand is always in order, to reduce spending? In other words, that kind of amendment would not be affected?

Mr. MOAKLEY. All amendments would have to be submitted.

Mr. GINGRICH. All amendments?

Mr. MOAKLEY. All amendments.

Mr. GINGRICH. I thank the gentleman.

NEARLY 900 DAYS, AND STILL NO AGENDA FROM THE PRESIDENT

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, the President has a calendar. What he lacks is an agenda for the people who need one most: working Americans and their families.

The President has been in office nearly 900 days. Yet, where is his program for health care?

Nearly 900 days. Yet, where is his plan to relieve the pain and suffering of this recession?

Nearly 900 days. Yet, where is his program to deal with unemployment?

Yet 37 millon Americans need answers. They have no health insurance; 8.6 million Americans need answers. They have no jobs.

In fact, in the last 100 days, the same 100 days the President uses as his personal yardstick, 400,000 more Americans joined the unemployment rolls.

These people and this Congress don't need arbitrary, artificial deadlines. What we need is leadership from the White House to address the real issues for our families: jobs and health care.

We don't need deadlines for the sake of headlines. We need action, for the sake of America.

SMALL BUSINESS MUST BE INVOLVED IN HEALTH INSURANCE SOLUTION

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, yesterday's Washington Post contained a feature highlighting the problems small businesses face in trying to provide health insurance to their employees.

The article pointed out that small businesses are as much victims of the rising health care costs as are individual Americans. Small businesses need help—in the form of cost containment and the freedom to select the best plan.

Newly introduced legislation in the Senate recognizes that there needs to be a small business perspective to the health-care debate. It is encouraging to see that a section of the proposed bill is devoted to the special needs of small business.

But, Mr. Speaker, I would caution my colleagues recognition of the problem is only the beginning. The small business community must be active participants in shaping final legislation.

It is clear that all the key players must be involved if we are to shape a comprehensive program for restoring the viability of our Nation's health-care system. Small business must have a seat at the negotiating table.

My colleagues, it is easy to say that you are all for small business. But it is how you vote that really counts.

MR. BUSH'S POLAROID PRESIDENCY

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, tonight, the next photo opportunity in Mr. Bush's Polaroid Presidency will occur on the White House lawn.

He will call for action on legislation that Congress already intends to pass: Bills to attack street crime and rebuild our roads.

But no matter. This is a President who prefers rhetoric to action, symbols to substance, vetoes to progress, and campaigning to governing.

On crime, Mr. President, we share your concern. Under 11 years of Republican rule, violent crime is up 22 percent, rape is up 13 percent, and theft is up 10 percent. That's exactly why we need a good crime bill, not a fast crime bill or a Bush crime bill, but an effective crime bill.

The real story is, of course, that this President has only a calendar not a domestic agenda.

In the last 100 days, more than 160,000 Americans have lost their jobs, we've spent $200 million on health care, domestic auto sales declined by 100,000 and the trade deficit jumped $17 billion. While this administration has no unemployment insurance, health care, auto industry, or Fair Trade Enforcement Program, Democrats do.

The President seems determined to be remembered not for moving the country forward but by his symbols: the flash cube, the light meter, and the veto pen. The Democrats in the 102d Congress hope to be remembered for the differences they made in the lives of the American people, particularly our working families.

THE DEMOCRATS SHOULD GET TOGETHER ON A CRIME BILL

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I rose just to urge the Democratic leader to meet with the Democratic chairman of the Committee on the Judiciary. We were informed yesterday by our ranking member on the Subcommittee on Crime that the President's crime bill has not been parceled out to the subcommittees, that in the 100 days in which 6,500 Americans were killed, over 40,000 Americans were raped, there were over 1,400,000 assaults on Americans, the Democratic leadership has not moved the crime bill an inch.

It has not had any hearings, it has not set up any effort, it has not set up any procedure.

Now, here is a case where the President has a clear agenda, he has a clear bill, a bill, by the way, which the Democratic leadership dropped in conference last fall after the House voted for it.

So I would just say to my distinguished friend, the Democratic majority leader, if he would meet with the Democratic chairman of the Committee on the Judiciary, meet with the Democratic Speaker, and bring forth an American crime bill that all of us could support, we would not be having photo opportunities and Americans would be a lot safer.

NINE HUNDRED DAYS: NO PLAN, NO PROGRAM, JUST BUTTONS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, yesterday—and I do not see them today—our Republican colleagues were wearing buttons saying "100 Days." Buttons, bumper stickers, balloons, is this what Government has become?

The American people want leadership. Instead, they get hot air. The President complains Congress has not passed his crime package in 100 days. Yet he says nothing about the biggest crime of all on his watch, the increased buildup in debt, the RTC, the savings and loan crisis.

The President complained Congress has not passed a transportation bill in 100 days. Thank goodness, because the one thing his bill will not do is improve transportation or end rush hours.

The President has spoken to several commencements in the last 100 days. Never once telling them that his proposed Pell grant cuts would have kept many of them from graduating.

And the biggest crime of all, no administration proposals to take on the health care crisis. Millions of Americans live in fear of any type of medical emergencies.

How many in the last 100 days have chosen not to go to a physician to get that necessary care?

I am not concerned about 100 days; Mr. Speaker, the American people want to know why and how they are better off after 900 days of the Bush administration. No plan, no program, just buttons.

American families demand better.

AMERICAN AID SHOULD GO TO REFORMERS, NOT COMMUNIST-CONTROLLED GOVERNMENTS

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROHRABACHER. Mr. Speaker, Lithuanian blood is still dripping from the treads of Soviet tanks and Mr. Gorbachev is demanding hundreds of billions of dollars in aid from the people of the United States.

The Communists in the Kremlin continue wasting huge portions of their own peoples' money on their military and they have the nerve to insist that the American people send them cash?

The only thing more absurd than this is that powerful people in this town are taking their demands seriously.

We are closing up emergency rooms at our hospitals for lack of funds and we are going to send billions in aid to the Soviet Union; give me a break. Is this the twilight zone or the Capitol of the United States of America?

Today I will offer an amendment to the foreign aid bill which sets the principle that if we provide aid and that is a big "if," either to the Soviet Union or Yugoslavia, two countries in transition, it should go to the reformers in the democratically elected republics and not to the Communist-controlled central governments.

I ask my colleagues to support my amendment and go on record that America should be on the side of reformers in the republics rather than on the side of the Kremlin and that we should be on the side of the people and not the Politburo.

□ 1020

THE AMERICAN WORKING CLASS DESERVES BETTER

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, I rise today to express my support for continuing Federal aid to needy college students. The Bush administration is proposing to cut drastically eligibility guidelines for Federal student aid programs depriving many children of middle-income and working-class families of aid for education. This penalizes middle America.

Congress has approved a budget that attempts, within current restrictions, to treat Americans fairly. How can anyone support President Bush's efforts to enact capital gains tax cuts for the wealthy while cutting guaranteed student loans for the children of America's working families?

The middle-class American family is the bedrock of our Federal tax system. As their real dollar earnings have gone down and their taxes have gone up, these families are finding it increasingly difficult to finance their homes, health care, and everyday living expenses. Middle-income families have seen college tuition rise four times as quickly as their disposable income, and total college costs three times as fast. Today, the average cost of a 4-year public college is $5,000; for a private college it is $12,000. This has doubled in 10 years. Many families can no longer afford to finance their children's education. A decade ago these families were eligible for Federal student aid. Today they are not. The administration would make them less so.

The Bush administration is proposing to increase Pell grants to a maximum

of $3,700 per year from $2,400 by dropping 400,000 students from eligibility and focusing the grants on those from families earning less than $10,000. However, of the 400,000 students who would be cut, about 280,000 would be from families earning less than $15,000 a year.

In Nebraska, 21,960 high school graduates go on to attend the University of Nebraska in Lincoln, our largest educational institution. For the 1990 school year, resident tuition, room and board averages $4,800 per student. Of a total of 24,453 students attending the university, almost 50 percent rely on financial aid in some form. I want to ensure that not one of these student is denied the opportunity to attend the university.

One of the hallmarks of the American dream is that education is the door to opportunity. Not only does education bring opportunity, it is a good investment for our Nation. To those who argue that we cannot afford student loans and grants, I would argue we cannot afford not to. A well-educated student today is a productive citizen tomorrow who returns revenue to the Treasury and keeps our economy going.

Many students in this country could never have gone to college without Federal student loans and grants, like the GI bill that sent many Americans to college after World War II. I call on my colleagues to reject the Bush administration's cuts and stand up for our students of today and citizens of tomorrow.

THE CASE FOR A CRIME BILL

(Mr. GILLMOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILLMOR. Mr. Speaker, the President has sent to this Congress a broad domestic agenda, but the majority in this Congress, which has no program of its own, does nothing, and one example is the crime bill.

Mr. Speaker, crime in the United States is on the rise, and meanwhile the Congress waits. The need for a major crime bill is evident to one and all.

In the last year alone, according to the FBI, violent crime in the United States has increased by 10 percent. Drug-related violence is skyrocketing. This past year the number of aggravated assaults increased by 10 percent, robberies by 11, rape by 9.

However, Mr. Speaker, the surge in violent crime is not limited to America's largest cities. It is alarming to note that the largest increase in violent crime occurring in America is in the medium-sized cities previously thought to be insulated from this phenomenon.

Mr. Speaker, to some these statistics may be dry numbers, but they represent people, people whose lives have been torn apart by violent crime, and there is no time to waste; 100 days ago, the President called for Congress to pass his crime bill. Congress has done nothing. It is time for Congress to stop delaying.

PRESIDENT IGNORES ISSUES THAT TRULY MATTER

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, the President's phony 100-day challenge to Congress to enact his legislation on crime and transportation amounts to nothing more than political gimmickry and marks the opening salvo of this 1992 campaign.

He has exposed his own inability to lead the Nation on some of our most pressing problems and concerns—issues that truly matter to all Americans.

In the last 100 days, more than 163,000 Americans lost their jobs.

Just yesterday, the Census Bureau reported that home ownership has dropped for the first time since the Great Depression.

College tuition continues to rise four times as fast as the average American family's disposable income.

And the first large American city, Bridgeport, CT, declared bankruptcy just last week.

We need a President who listens more to the pleas of concerned Americans than he does to his own campaign advisers.

Unfortunately, the fact is, this President wouldn't know a domestic agenda if it walked up and wished him a happy birthday at his party tonight.

FEAR

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, I am going to talk about fear. The fear that grips all Americans in these times of increasing violent crime.

The fear of parents to let their children play outside after dark.

The fear of families to take an evening walk.

The fear of parents to allow their children to attend schools that are infested with drugs.

The fear of children to go to sleep at night.

The fear of women to walk to their cars or jog after dark.

The fear of inner-city parents that their playgrounds are turning into shooting galleries.

Fear on behalf of all urban citizens regarding the increasing threat of gang violence.

The fear citizens feel to press charges against a criminal who they feel will be released within hours.

Mr. Speaker, this fear that I have described is manifesting itself throughout the United States, in small towns and large. As a governing body, we have no more profound duty than to provide an America where people of all ages, races, economic classes and religions live their lives safe from the threat of bodily harm. The President has given us a crime control bill to act upon. Let us take up this challenge and provide a safe America for one and all.

THE 100-DAY MESSAGE THE AMERICAN PEOPLE ARE WAITING FOR

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in a CIA report now being hushed up and apologized for, American national security experts are warning that Japan is bent on economic dominance of, not only America, but the world, and Congress should watch out.

My colleagues, it is evident from Main Street to Wall Street that Japan is doing with the dollars and the yen and protectionism what they could not do with the bomb, and let me say this:

While Congress continues to turn the other cheek, Japan, like Hannibal Lector, is eating America's face off, and, if my colleagues do not believe that, ask some business people like T. Boone Pickens.

Mr. Speaker, it is time that we look at trade protectionism to other nations before we do not have another job in this country and our economy completely falls apart. That is the 100-day message that American people are waiting for.

FREE TRIP TO EUROPE FOR 400 EMPLOYEES OF DEPARTMENT OF HEALTH AND HUMAN SERVICES

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, the arrogance of some within our unelected elitist Federal bureaucracy never ceases to amaze. Yesterday the Washington Post reported on the planned trip to Italy next week by 400 employees of the Department of Health and Human Services. These people want to go on an all expense paid trip to the international conference on AIDS. The expense to the taxpayers for this bureaucratic junket will be $1,350,000. One official defended it by pointing out that this is a lower number than the

730 who went to the conference in San Francisco last year and at less cost.

David Rogers of the National Commission on AIDS said that criticism of this travel was mean spirited. Actually what is mean spirited are bureaucrats who have a public-be-damned attitude. Actually what is mean spirited is taking money from taxpayers, many of whom are having to scrimp to get by while they see others go on free trips to Europe.

Mr. Speaker, I am thankful that John Sununu got HHS to reduce this number by 100, however our Government is broke and over $4 trillion in debt. We are losing approximately $1 billion a day at the Federal level today. We certainly cannot afford to be sending several hundred people to a meeting in Italy when a small handful could represent us as well and bring back all the useful information.

GET A GRIP, RTC

(Mr. MCMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCMILLEN of Maryland. Seventy-five billion dollars, Mr. Speaker. That is what Charles Bowsher of GAO said the RTC bailout may need this fall. Mismanagement, he declared.

Pick up today's Washington Post, and read about the RTC office in Kansas that bought $26,000 of the finest art. Mr. Martinelli, head of the office, said, "If this makes my employees happy and productive, I think it's money well spent."

So, I ask Mr. Martinelli, "How about the millions of Americans who want health care or housing but can't get it because the money is not there because your agency is ripping off the American public?"

Get a grip, RTC. The American people are fed up with this administration playing partisan politics while the RTC is bungling this bailout.

Mr. Speaker, let this President spend the next 100 days cleaning up this mess.

□ 1030

AMERICAN PEOPLE DEMAND ACTION ON CRIME BILL

(Mr. SCHIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHIFF. Mr. Speaker, approximately 100 days ago the President of the United States asked Congress to act on his proposed crime package and his proposed transportation bill; 100 days later, approximately, Congress still has not acted on either bill.

One of the reasons given is clearly amazing. I saw a distinguished leader of the majority party speaking to the national news media, and he said the President is insulting the idea of a 100-day timetable because 100 days is the time that President Franklin Roosevelt gave to act on his agenda, and his agenda was so much larger.

In other words, 100 days by our current President is an insult, because he has asked for less than President Roosevelt asked for a number of years ago.

Where is the logic to that? If President Bush has asked for less of an agenda in the last 100 days, it should have been easier for the Congress to act on these before 100 days, and then we could move on in unity to other issues. Instead, we have not acted at all. All of what we are hearing, Mr. Speaker, is an excuse. It is an excuse by those who do not want to pass a tough anticrime package. But the American people demand that we act, and we should move immediately.

THE PRESIDENT'S BIRTHDAY

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, today is the President's birthday, and I join Members of both sides of the aisle in wishing Mr. Bush the best. But I think it is apt to say that outside of the White House, Mr. Bush should not expect to have his cake and eat it, too.

The President should not call himself the education President, and then propose severe cutbacks in student aid.

Mr. Bush should not say he is the environment President, and then propose an energy policy which brings no new energy, but devastates our natural resources.

President Bush should not propose massive expenditures to fix our deteriorating highways and bridges, and then assign the costs to State and local governments.

Mr. Speaker, the President is expected to address the Nation tonight and criticize Democrats in Congress. With the recent divisive debate on the civil rights bill, he has already shown himself to be stepping back from a kinder and gentler Presidency.

Mr. Speaker, I hope this does not mean that the most we will be seeing of those thousand points of light will be the candles on the President's birthday cake.

WHERE IS THE CRIME BILL?

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, where's the crime bill? Why has Congress not met the President's 100-day challenge?

Personal safety is one of the most basic concerns of our citizens. Our constituents—whether they're from Los Angeles, Chicago, or rural Missouri—have this in common: They would like to walk their neighborhoods free from the fear of ending up another FBI statistic.

This Friday marks the 100th day since President George Bush issued his 100-day challenge to the Congress to act on a tough crime bill. Americans are still waiting. Why is Congress delaying?

The President has submitted a tough crime bill to Congress. In the House, it has been introduced by our Republican leader, BOB MICHEL.

Mr. Speaker, Americans deserve a Congress that will respond to their needs and concerns. In this instance, the Democrat-controlled Congress is failing.

FAIRNESS: PRESIDENT BUSH'S DUPLICITY ON AMERICA'S FUTURE

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, tonight, the President plans to chastise the Congress for not acting on his legislation within his prescribed timeframe. Unfortunately, the President's remarks will do little to further the domestic policy interests of this country. Furthermore the President's remarks will be duplicitous—he has no domestic agenda.

Whenever we attempt to address an unmet domestic need—Americans without health care, rising drug and crime rates, failure of our schools, millions of America's children going to bed hungry every night—the President says we cannot afford to solve the problem.

When a typhoon hit Bangladesh we found the emergency aid.

When Kuwait and our oil supplies were in danger, we found the emergency funds.

When Eastern Europe and the Soviet Union faced economic collapse we extended credits and the President plans $1 billion more for the Soviet Union.

When tens of thousands of Kurdish refugees massed at the Turkish border, we found millions of dollars for food and emergency housing.

Why is it, Mr. President, that every time you need to take an action in the international community, you find the money and every time we confront a domestic crisis you tell us we cannot afford a solution and we should rely on volunteers?

The President cannot continue to ignore crises at home because he finds foreign policy more interesting.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NAGLE). The Chair would remind Members that remarks should be addressed

to the Speaker, and not the President personally.

MIXING APPLES AND ORANGES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the gentleman from California [Mr. ROHRABACHER], in pushing his amendment to the foreign aid bill, is mixing apples and oranges. Yugoslavia is not the Soviet Union, Croatia is not Latvia, and Serbia is not Lithuania.

After World War II, the United States helped form Yugoslavia as a sovereign nation. The United States has never recognized the annexation of Estonia or Lithuania.

It seems strange that members of the Republican Party would favor dismemberment of a sovereign nation. The Republican Party was founded as the party of equal rights for all and founded on the principles of union, union of the Nation. Republicans have never been a party of disunion, and we should not start now.

In a letter in March, President Bush said:

> It should be absolutely clear that the United States does not and will not favor any particular national or ethnic group in Yugoslavia. At the same time, we want to see differences among nationalities resolved within the framework of a single democratic Yugoslavia, and will not encourage or reward those who would break the country apart.

Mr. Speaker, we do not have to add to the problems over there, which finally appear to be on the verge of becoming resolved.

WE'LL SEE YOUR 100 DAYS, AND RAISE YOU ONE

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, it is time that Capitol Hill told the White House that we will see your 100-day challenge, and we will raise you one. We will give the White House 50 days to withdraw their call to eliminate college assistance for 400,000 American kids from working families; we will give the President 30 days to stop wringing his hands and produce a health care reform program for our Nation; we will give the President 30 minutes to come up with a plan to clean up his own mess in administering the savings and loan bailout; and we will give the President 15 minutes to take a look at the America we all love, roll up his sleeves, and address the problems of unemployment, education, health care, gridlock, and tax fairness.

DIDDLING, DAWDLING DEMOCRATS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, 100 days ago we had just won the war, and we felt pretty good about America's ability to get things done. That is until we got to the Congress. Here we found the President issued a challenge. He said in 100 days, Congress ought to be able to do something about crime and transportation.

Well, what has happened in the House? Nothing. Zip. Zero.

What has happened in America in those 100 days? Well, 6,500 Americans have been killed in homicides. What have the diddling, dawdling Democrats in the House done? They have done nothing.

Almost 45,000 Americans have been raped. What have the diddling, dawdling Democrats in the House done? Nothing.

Over 330,000 Americans have been robbed in that 100 days. What have the diddling, dawdling Democrats in the House done? Nothing.

Almost 1½ million Americans have been assaulted in that 100 days. What have the diddling, dawdling Democrats in the House done? Nothing.

It is time for the American people to recognize the problems that they have in the country rest right here in the House.

NOW IS TIME TO GET ON TOP OF BANK PROBLEMS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, yesterday the Nation's top auditor told us that the administration has added $50 billion to the cost of the S&L bailout by a massive misuse of taxpayer funds. Now he says that the Bush administration is wrong about the woes of the Nation's banks. He says they're much sicker than the administration admits, and that a taxpayer bailout will have to be in the cure.

This is deja vu all over again. When the problems at the S&L's began to surface, the administration provided sugar-coated assurances that the costs would be minor. Now average taxpayers are swallowing the bitter bill of a $500 billion bailout; $500 billion for a problem they neither caused nor profited from.

Mr. Speaker, if we learned anything from the thrift crisis, it's that primrose path predictions will only hurt the taxpayer in the end. We should not allow the administration to stick its head in the sand and pretend to the American people that the banks are in no real trouble. If a taxpayer bailout is needed—and all of us hope that it is not—then let us get on top of the problem now, and make sure that working Americans are not forced to pay one dime more than needed to keep our banks afloat. And if we are going to talk about a taxpayer bailout, let us also discuss which taxpayers will be doing the bailing out—the privileged few who reaped huge dividends from the deregulation of our Nation's financial institutions over the last 10 years, or everyone else, who have to work overtime and second jobs just to stay where they were a decade ago.

□ 1040

ENACTING THE PRESIDENT'S AGENDA

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, 97 has gone and this is day 98. The President gave us 100 days to do just two things: pass a bipartisan public works, antirecessionary highway bill and to do something about crime.

I agree with the Democratic majority leader and everyone else who stood up here today. Crime is a problem in this country, and crime has been on the rise for the last 11 years. Part of the reason it has been on the rise for 11 years is that the Congress has done nothing about crime.

Yes, we will, right after the election, pass a crime bill out of this House, and we will send it over to the Senate. Then we will make sure one of two things happens. Either we have a conference report that includes nothing in it or we do not have a conference report at all, but we will cover ourselves with a vote.

I also find it absolutely amazing that Members would talk about the recession. Did I forget something? Was it not the Democratic Party who last year led the fight against economic growth in the budget battle? They seem a little sensitive today. I guess if I was in their shoes, I would be sensitive too.

PRESIDENT PROPOSES LEGISLATION: CONGRESS DISPOSES

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, I had not intended to give a 1-minute speech today, but as I listened to the tone of the 1-minutes I have heard I felt compelled to do so.

Mr. Speaker, we should understand the President of the United States cannot make legislation. The President, like any other citizen of the United States, can propose legislation to the Congress of the United States.

The Congress of the United States is controlled by the Democratic Party majority. They have a vision, quite frankly, in the special interests and in the parochial interests, quite contrary to the President's vision in general interest.

The President hopes for a kinder and gentler Nation. In order to get his legislation enacted, for that to happen, he must get it through Congress.

Unhappily for the President, his vision and the American people, the Congress is ruled by a Democratic majority that is not kinder and gentler, but, in fact, it is seedier and greedier.

DEMOCRAT RHETORIC ON WHAT PRESIDENT BUSH HAS NOT SAID

(Mr. EMERSON asked and was given permission to address the House for 1 minute.)

Mr. EMERSON. Mr. Speaker, it has been announced that the President is going to speak tonight on issues affecting domestic policy, but he has not spoken yet. We do not know yet what he is going to say. But he is the President of all of us, and we, the Congress and the Nation should listen to what he has to say and then discuss and debate what he has to say.

I had not intended to say anything this morning. But sitting here waiting to participate in the legislative agenda of the day, I am shocked at the railing that has occurred on the liberal left about what the President has not even yet said. It appears there is an attempt to put up a smoke screen to cover the inaction, inaction on the left of the agenda that the public does want addressed.

It is the liberal left, out of touch, that rails instead of acting, postures instead of producing on the agenda that the vast American middle wants dealt with.

INTERNATIONAL COOPERATION ACT OF 1991

The SPEAKER pro tempore (Mr. NAGLE). 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 further consideration of the bill, H.R. 2508.

□ 1045

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 further consideration of the bill (H.R. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, with Mr. DELLUMS (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, June 11, 1991, all time for general debate had expired.

Pursuant to the rule, the bill is considered under the 5-minute rule by titles and each title is considered as read.

No amendment on the subject of military assistance to El Salvador shall be in order.

Subject to clause 6 of rule XXIII, debate on all amendments shall not exceed 8 hours.

No amendments to the bill are in order except those amendments printed in the CONGRESSIONAL RECORD, with the following exceptions:

First, amendments printed in the CONGRESSIONAL RECORD offered en bloc by the gentleman from Florida [Mr. FASCELL] or his designee, which may include germane modifications in the text of any amendment. Said amendments en bloc shall be considered as read and shall not be subject to amendment or to a demand for a division of the question.

Second, an amendment in the nature of a substitute offered by the gentleman from Michigan [Mr. BROOMFIELD] specified in the rule; and

Third, pro forma amendments for purposes of debate.

It shall be in order to consider amendments offered en bloc by the gentleman from Ohio [Mr. HALL]. Said amendments en bloc are considered as having been read, are not subject to a demand for a division of the question, and may amend portions of the bill not yet considered for amendment.

At the conclusion of consideration of the bill for amendment, it is in order to consider an amendment in the nature of a substitute offered by the gentleman from Michigan [Mr. BROOMFIELD], or his designee. Said amendment is considered as having been read and is debatable for 1 hour, notwithstanding any other provision of this rule.

There are three sections that precede title I.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 2508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Cooperation Act of 1991".

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

I take this time just to inform our colleagues that the leadership has requested that we run until 7 o'clock tonight. Under the rule, as Members can see, we have 8 hours in which to consider all amendments to the bill and all amendments thereto.

In order to be fair, Mr. Chairman, we are just going to have to object to extensions of time. There are a lot of amendments. I do not know what the last count was. Last time we considered this bill we had 250 amendments. I think 150 have been printed in the RECORD already.

So, in fairness to those who have amendments and who want them to be considered, we just simply cannot extend time. I would hope that my colleagues who have amendments that we have debated over and over again and everybody is pretty clear on what the issue is, that we could reach an understanding that would be satisfactory to try and shorten the time on those amendments.

□ 1050

Otherwise any one of the amendments could use up the whole 8 hours, and I do not think that is fair either, Mr. Chairman, so I am asking my colleagues to cooperate with us. We will move this bill as rapidly as we can and hopefully try to get it done.

I do not have any illusions about what will happen once we start talking, but I hope that we can get some cooperation.

I have no amendments.

The CHAIRMAN pro tempore (Mr. DELLUMS). Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. TABLE OF CONTENTS FOR THIS ACT.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents for this Act.
Sec. 3. Table of contents for amended Foreign Assistance Act.

TITLE I—ECONOMIC ASSISTANCE

Sec. 101. Revision of economic assistance programs.

TITLE II—MILITARY ASSISTANCE, RELATED ASSISTANCE, AND MILITARY SALES PROGRAMS

CHAPTER 1—CONSOLIDATION AND REVISION OF ASSISTANCE AUTHORITIES

Sec. 201. Revision of assistance programs.
Sec. 202. Conforming amendments.
Sec. 203. Transition rule concerning disposition of certain previously provided military equipment.

CHAPTER 2—FOREIGN MILITARY SALES PROGRAM

Sec. 221. Arms transfer policy.
Sec. 222. Improved accounting for foreign military sales.
Sec. 223. Designation of major non-NATO allies.
Sec. 224. Certification thresholds.
Sec. 225. Standardizing congressional review procedures for arms transfers.
Sec. 226. Foreign availability.
Sec. 227. Economic impact of United States arms sales.
Sec. 228. Coproduction agreements.
Sec. 229. Enforcement of arms export licensing requirements.

Sec. 230. Biennial review of the international traffic in arms regulations.
Sec. 231. Fair pricing.
Sec. 232. Contract administrative service charges for NATO subsidiary bodies.
Sec. 233. Amendments to eliminate obsolete and inconsistent provisions.
Sec. 234. Technical corrections.

CHAPTER 3—OTHER PROVISIONS

Sec. 241. Depleted uranium shells.
Sec. 242. Arms transfers restraint policy for the Middle East and Persian Gulf region.

TITLE III—TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION

Sec. 301. Consolidation and revision of authorities.

TITLE IV—INTERNATIONAL NARCOTICS CONTROL

Sec. 401. Consolidation and revision of authorities and requirements.
Sec. 402. Exemption of narcotics-related military assistance for fiscal years 1992 and 1993 from prohibition on assistance for law enforcement agencies.
Sec. 403. Export-Import Bank financing of antinarcotics-related sales of defense articles or services.

TITLE V—SPECIAL ASSISTANCE INITIATIVES AND OTHER REGION OR COUNTRY SPECIFIC PROVISIONS

Sec. 501. Special initiatives and provisions.
Sec. 502. Conforming amendment relating to the Environment for the Americas Board.

TITLE VI—SPECIAL AUTHORITIES, RESTRICTIONS, REPORTS, GENERAL PROVISIONS, AND TECHNICAL AND CONFORMING AMENDMENTS

CHAPTER 1—SPECIAL AUTHORITIES, RESTRICTIONS, AND REPORTS

Sec. 601. Consolidation and revision of authorities and requirements.

CHAPTER 2—ADMINISTRATIVE AND GENERAL PROVISIONS

Sec. 621. Consolidation and revision of provisions.

CHAPTER 3—TECHNICAL AND CONFORMING PROVISIONS

Sec. 641. Savings provisions.
Sec. 642. Retention of certain provisions formerly in the Foreign Assistance Act.
Sec. 643. Renaming of Trade and Development Program; conforming changes.
Sec. 644. Conforming amendments.
Sec. 645. Repeal of obsolete provisions.

TITLE VII—LATIN AMERICA AND THE CARIBBEAN

CHAPTER 1—EL SALVADOR

[Reserved for provisions relating to El Salvador]

CHAPTER 2—OTHER PROVISIONS PERTAINING TO CENTRAL AMERICA

Sec. 721. Promoting Central American recovery and development.
Sec. 722. Military aircraft transfers.
Sec. 723. Assistance for Guatemala.
Sec. 724. Assistance for Nicaragua.
Sec. 725. Assistance for refugees and displaced persons.
Sec. 726. Assistance for democratic legislatures.

CHAPTER 3—THE CARIBBEAN

Sec. 741. Assistance for Haiti.
Sec. 742. Haitian sugar cane harvesters in the Dominican Republic.
Sec. 743. Assistance for Guyana.
Sec. 744. Democracy in Suriname.

CHAPTER 4—ANDEAN INITIATIVE

Sec. 761. Economic assistance and administration of justice programs for Andean countries.
Sec. 762. Military and law enforcement assistance for Andean countries.
Sec. 763. General provisions relating to assistance for Andean countries.

CHAPTER 5—OTHER PROVISIONS PERTAINING TO THE REGION

Sec. 781. Assistance for law enforcement.
Sec. 782. Inter-American Foundation.
Sec. 783. Military assistance and sales for Chile.
Sec. 784. Central American Journalism Program and the Regional Administration of Justice Program.

TITLE VIII—EUROPE AND THE MIDDLE EAST

CHAPTER 1—MIDDLE EAST

Sec. 801. Assistance for Israel.
Sec. 802. Assistance for Egypt.
Sec. 803. Promoting pluralism and democracy.
Sec. 804. West Bank and Gaza program.
Sec. 805. Middle East scientific and technological cooperative projects.
Sec. 806. Cooperative development projects.
Sec. 807. Israeli-Palestinian people-to-people activities.
Sec. 808. Policy toward and assistance for Lebanon
Sec. 809. Restrictions and reports with regard to Syria.
Sec. 810. Captured Iraqi equipment.
Sec. 811. Iraqi compensation for damages to other countries.
Sec. 812. Peace and stability in the Middle East.
Sec. 813. Cumulative impact of conventional arms transfers to the Middle East.
Sec. 814. Restrictions on negotiations with the Palestine Liberation Organization.
Sec. 815. United Nations General Assembly Resolution 3379.
Sec. 816. Israeli preemptive strike against the Iraqi nuclear reactor at Osirak.
Sec. 817. Democratic reform and human rights in Kuwait.

CHAPTER 2—EASTERN MEDITERRANEAN

Sec. 821. Assistance for Cyprus.
Sec. 822. Assistance for Greece.
Sec. 823. Assistance for Turkey.
Sec. 824. Admission of Turkey into the European Community and the Western European Union.
Sec. 825. United Nations Secretary General's peace initiatives regarding Cyprus.

CHAPTER 3—SUPPORT FOR EAST EUROPEAN DEMOCRACY

Sec. 841. Amendments to SEED Act of 1989.
Sec. 842. United States policy regarding Eastern Europe.
Sec. 843. East European countries eligible for SEED benefits.
Sec. 844. Structural adjustment.
Sec. 845. Private sector development.
Sec. 846. Trade and investment.
Sec. 847. Educational, cultural, and scientific activities.
Sec. 848. Other assistance programs.
Sec. 849. Additional SEED Program actions.
Sec. 850. Funding of SEED Program.
Sec. 851. Conforming amendments to list of SEED actions.

CHAPTER 4—OTHER PROVISIONS RELATING TO EUROPE

Sec. 861. Contributions to Anglo-Irish International Fund.
Sec. 862. Technical assistance for Baltic states and for democratic governments and nongovernmental organizations in the Soviet Union.
Sec. 863. Assistance for the Republic of Armenia.
Sec. 864. Soviet-Eastern European research and training program.
Sec. 865. United States policy toward Yugoslavia.
Sec. 866. Situation in Kosovo province of Yugoslavia.
Sec. 867. Policy statement regarding the importation of sporting and hunting rifles and shotguns from certain East European countries.
Sec. 868. Soviet aid to Cuba.

TITLE IX—ASIA AND THE PACIFIC

CHAPTER 1—EAST ASIA AND THE PACIFIC

Sec. 901. Burma.
Sec. 902. Cambodia.
Sec. 903. Prohibition on military assistance to Fiji.
Sec. 904. Malaysia.
Sec. 905. South Pacific regional program.
Sec. 906. Taiwan's contributions to Operations Desert Shield and Desert Storm.
Sec. 907. Cooperation on POW/MIA issue.
Sec. 908. Admission of Asian countries into the OECD.
Sec. 909. Assistance to displaced Burmese in Thailand and Burma.
Sec. 910. Arms transfers by the People's Republic of China to Iran, Iraq, Libya, Pakistan, and Syria.

CHAPTER 2—SOUTH ASIA

Sec. 921. Assistance for Afghanistan.
Sec. 922. Mines in Afghanistan.
Sec. 923. United States-Soviet dialogue on a political settlement in Afghanistan.
Sec. 924. United States support for democracy and development in Bangladesh.
Sec. 925. Nepal.
Sec. 926. Promotion of human rights in Sri Lanka.

CHAPTER 3—INDUSTRIAL COOPERATION PROJECTS IN CHINA AND TIBET

Sec. 941. Statement of principles.
Sec. 942. Registration requirement.
Sec. 943. Reporting requirements.
Sec. 944. Export marketing support.
Sec. 945. Definitions.

TITLE X—AFRICA

CHAPTER 1—AUTHORIZATIONS OF ASSISTANCE FOR AFRICA

Sec. 1001. African Development Foundation.
Sec. 1002. Support for the Southern Africa Development Coordination Conference.
Sec. 1003. Economic support assistance for sub-Saharan Africa.
Sec. 1004. Support for democratization in sub-Saharan Africa.
Sec. 1005. African Center for Conflict Resolution.

CHAPTER 2—PROVISIONS RELATING TO SPECIFIC COUNTRIES

Sec. 1021. Angola.
Sec. 1022. Burundi.
Sec. 1023. Ethiopia.
Sec. 1024. Kenya.
Sec. 1025. Liberia.

Sec. 1026. Malawi.
Sec. 1027. Mozambique.
Sec. 1028. Somalia.
Sec. 1029. South Africa.
Sec. 1030. Sudan.
Sec. 1031. Zaire.
CHAPTER 3—UNITED STATES COMMISSION ON SOUTHERN AFRICA
Sec. 1041. Short title.
Sec. 1042. Findings.
Sec. 1043. Establishment.
Sec. 1044. Purpose of Commission.
Sec. 1045. Membership; chairperson.
Sec. 1046. President and staff of Commission.
Sec. 1047. Powers of Commission.
Sec. 1048. Requirements.
Sec. 1049. Report.
Sec. 1050. Funding.
CHAPTER 4—OTHER PROVISIONS
Sec. 1061. United States trade restrictions on products from sub-Saharan Africa.
Sec. 1062. Recognition of sub-Saharan African support during the Persian Gulf conflict.
Sec. 1063. Conditions on furnishing IMET for sub-Saharan Africa.
Sec. 1064. International Fund for Agricultural Development.
Sec. 1065. Exemptions from restrictions on assistance.
Sec. 1066. United Nations Educational and Training Program for Southern Africa.
Sec. 1067. Preemption of State and local sanction measures against Namibia.
TITLE XI—OTHER PROVISIONS
Sec. 1101. Effective date.
Sec. 1102. Definition relating to prior year military assistance.
Sec. 1103. Peace Corps.
Sec. 1104. Environmental security and foreign policy.
Sec. 1105. United States support for UNCED.
Sec. 1106. United Nations convention on the right to food.
Sec. 1107. Reforming the United Nations response to international disasters.
Sec. 1108. Authority to forgive repayment of an Alliance for Progress loan.

The CHAIRMAN pro tempore. Are there any amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. TABLE OF CONTENTS FOR AMENDED FOREIGN ASSISTANCE ACT.

The Foreign Assistance Act of 1961 is amended by striking out the first section and inserting in lieu thereof the following:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Foreign Assistance Act of 1961'.

"(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

"Section 1. Short title and table of contents.
"TITLE I—ECONOMIC ASSISTANCE
"CHAPTER 1—ECONOMIC ASSISTANCE POLICIES
"Sec. 1101. Findings and declarations of policy concerning economic assistance programs generally.
"Sec. 1102. Basic objectives of economic assistance programs and United States development cooperation policy.
"CHAPTER 2—DEVELOPMENT ASSISTANCE
"Subchapter A—Development Assistance Authorities
"Sec. 1201. Assistance for development needs.
"Sec. 1202. Authorizations of appropriations.
"Sec. 1203. Funding for health, child survival, AIDS, and Vitamin A deficiency activities.
"Sec. 1204. Assistance for population planning.
"Sec. 1205. Funding for the United Nations Population Fund.
"Sec. 1206. Nongovernmental organization family planning assistance activities.
"Subchapter B—Special Focus Programs and Activities
"Sec. 1221. Assistance for human rights and democratic initiatives.
"Sec. 1222. Development education.
"Sec. 1223. Strengthening the capacity of nongovernmental organizations, including research and educational institutions.
"Sec. 1224. Microenterprise development.
"Sec. 1225. Private voluntary organization activities.
"Subchapter C—Other Authorities and Requirements
"Sec. 1241. Impact of development assistance on environment and natural resources.
"Sec. 1242. Cost sharing.
"Sec. 1243. Assistance limited to economic programs.
"CHAPTER 3—ECONOMIC SUPPORT ASSISTANCE
"Sec. 1301. Assistance under special economic, political, and security conditions.
"Sec. 1302. Authorizations of appropriations.
"Sec. 1303. Purchase of United States goods and services.
"CHAPTER 4—VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS
"Sec. 1401. Authority to provide assistance.
"Sec. 1402. Authorizations of appropriations.
"Sec. 1403. Condition on contributions to the International Atomic Energy Agency.
"Sec. 1404. Withholding of United States proportionate share for certain programs of international organizations.
"Sec. 1405. Restriction on contributions to United Nations Relief and Works Agency.
"Sec. 1406. Reports on international organizations.
"Sec. 1407. Auditing of accounts of international organizations.
"Sec. 1408. Integration of women.
"CHAPTER 5—GUARANTEE PROGRAMS
"Sec. 1501. Housing and urban development guarantee program.
"Sec. 1502. Private sector guarantee program.
"CHAPTER 6—INTERNATIONAL DISASTER ASSISTANCE
"Sec. 1601. Statement of policies.
"Sec. 1602. Authority to provide assistance.
"Sec. 1603. Authorizations of appropriations.
"Sec. 1604. Borrowing authority.
"CHAPTER 7—OTHER ECONOMIC ASSISTANCE PROGRAMS
"Subchapter A—American Schools and Hospitals
"Sec. 1701. Authority to provide assistance.
"Sec. 1702. Authorizations of appropriations.
"Subchapter B—Debt for Development
"Sec. 1721. Debt exchange.
"CHAPTER 8—REIMBURSABLE PROGRAMS
"Sec. 1801. Authority to conduct reimbursable programs.
"Sec. 1802. Use of payments.
"CHAPTER 9—ADMINISTRATION OF ECONOMIC ASSISTANCE PROGRAMS
"Subchapter A—Operating Expenses
"Sec. 1901. Authorizations of appropriations for operating expenses generally.
"Sec. 1902. Authorizations of appropriations for operating expenses of the Inspector General.
"Sec. 1903. Additional funds for operating expenses.
"Subchapter B—Evaluation
"Sec. 1921. Evaluation and accountability.
"Subchapter C—Cooperation With Nongovernmental Sector
"Sec. 1941. Center for University Cooperation in Development.
"Sec. 1942. Center for Voluntary Cooperation in Development.
"Sec. 1943. Advisory Committee on Voluntary Cooperation in Development.
"TITLE II—MILITARY ASSISTANCE AND RELATED PROGRAMS
"CHAPTER 1—POLICIES REGARDING MILITARY ASSISTANCE
"Sec. 2101. Findings and statements of policies regarding military assistance.
"Sec. 2102. Objectives of military assistance.
"CHAPTER 2—FOREIGN MILITARY FINANCING PROGRAM
"Sec. 2201. Authority to furnish assistance.
"Sec. 2202. Terms of financing assistance.
"Sec. 2203. Eligibility.
"Sec. 2204. Approval of third country transfers.
"Sec. 2205. Improved accountability with respect to financed commercial arms sales.
"Sec. 2206. Considerations in furnishing assistance.
"Sec. 2207. Authorizations of appropriations.
"CHAPTER 3—TRANSFERS OF EXCESS DEFENSE ARTICLES
"Sec. 2301. Modernization of defense capabilities of military assistance recipients.
"Sec. 2302. Modernization of counter-narcotics capabilities of major illicit drug producing or drug-transit countries.
"Sec. 2303. Natural resources and wildlife management.
"Sec. 2304. Annual ceiling on transfers of excess defense articles.
"Sec. 2305. Annual reports on transfers of excess defense articles.
"CHAPTER 4—OVERSEAS MANAGEMENT OF ASSISTANCE AND SALES PROGRAMS
"Sec. 2401. Authorized functions.
"Sec. 2402. Limit on size of groups.
"Sec. 2403. Costs.
"Sec. 2404. Role of chief of mission.
"CHAPTER 5—INTERNATIONAL MILITARY EDUCATION AND TRAINING
"Sec. 2501. General authority.
"Sec. 2502. Terms of assistance.
"Sec. 2503. Exchange training.
"Sec. 2504. Training in maritime skills.
"Sec. 2505. Authorizations of appropriations.
"CHAPTER 6—PEACEKEEPING OPERATIONS
"Sec. 2601. General authority.
"Sec. 2602. Special transfer and drawdown authorities.
"Sec. 2603. Administrative authorities.
"Sec. 2604. Authorizations of appropriations.

"CHAPTER 7—STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES
"Sec. 2701. Restrictions on stockpiling.
"Sec. 2702. Location of stockpiles.
"Sec. 2703. Additions to war reserve stocks.
"CHAPTER 8—INTERNATIONAL TERRORISM
"Sec. 2801. Coordination of all United States terrorism-related assistance to foreign countries.
"Sec. 2802. Considerations in providing assistance.
"Sec. 2803. Antiterrorism assistance.
"Sec. 2804. Authorities and limitations.
"Sec. 2805. Reports to Congress.
"Sec. 2806. Administrative authorities.
"Sec. 2807. Authorizations of appropriations.
"Sec. 2808. Prohibition on assistance to countries supporting international terrorism.
"CHAPTER 9—OTHER PROVISIONS
"Subchapter A—Special Drawdown Authorities
"Sec. 2901. Special drawdown authorities.
"Subchapter B—Exercise and coordination of functions
"Sec. 2921. Responsibilities of the Secretary of State.
"Sec. 2922. Responsibilities of the Secretary of Defense.
"Sec. 2923. Security assistance coordination.
"Subchapter C—Miscellaneous
"Sec. 2941. Personnel limited to noncombatant duties.
"TITLE III—TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION
"CHAPTER 1—TRADE AND DEVELOPMENT AGENCY
"Sec. 3101. Purpose.
"Sec. 3102. Authority to provide assistance.
"Sec. 3103. Director and personnel.
"Sec. 3104. Annual report.
"Sec. 3105. Advisory board.
"Sec. 3106. Inspector General.
"Sec. 3107. Funding.
"CHAPTER 2—OVERSEAS PRIVATE INVESTMENT CORPORATION
"Sec. 3201. Purpose and policy.
"Sec. 3202. Stock of the corporation; organization and management.
"Sec. 3203. Investment insurance, guarantees, financing, and other programs.
"Sec. 3204. Enhancing private political risk insurance industry.
"Sec. 3205. Guidelines and requirements for OPIC support.
"Sec. 3206. Issuing authority, direct investment fund, equity fund, and reserves.
"Sec. 3207. Income and revenues.
"Sec. 3208. General provisions relating to insurance, guaranty, and financing program.
"Sec. 3209. General provisions and powers.
"Sec. 3210. Annual report; maintenance of information.
"Sec. 3211. Definitions.
"TITLE IV—INTERNATIONAL NARCOTICS CONTROL
"CHAPTER 1—GENERAL POLICIES
"Sec. 4101. Statements of policy.
"Sec. 4102. Coordination of all United States anti-narcotics assistance to foreign countries.
"CHAPTER 2—NARCOTICS CONTROL ASSISTANCE
"Sec. 4201. Authority to conclude agreements and provide assistance.
"Sec. 4202. Authorizations of appropriations.
"Sec. 4203. Contribution by recipient country.
"Sec. 4204. Use of herbicides for aerial eradication.
"Sec. 4205. Prohibition on procurement of weapons and ammunition.
"Sec. 4206. Permissible uses of aircraft and other equipment.
"Sec. 4207. Retention of title to aircraft.
"Sec. 4208. Prohibition on use of narcotics control assistance to acquire real property.
"CHAPTER 3—FOREIGN ASSISTANCE GENERALLY AND NARCOTICS CONTROL
"Sec. 4301. Prohibition on use of foreign assistance for reimbursements for drug crop eradications.
"Sec. 4302. Prohibition on assistance to drug traffickers.
"Sec. 4303. Transfer of funds when countries fail to take adequate steps to halt illicit drug production or trafficking.
"Sec. 4304. Waiver of restrictions on narcotics-related economic assistance.
"CHAPTER 4—REPORTS AND ANNUAL CERTIFICATION PROCESS
"Sec. 4401. Reporting requirements for fiscal years 1992 and 1993.
"Sec. 4401A. Reporting requirements applicable after September 30, 1993.
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"CHAPTER 6—MISCELLANEOUS PROVISIONS

"Sec. 7601. Definitions.".

The CHAIRMAN pro tempore. Are there any amendments to section 3?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—ECONOMIC ASSISTANCE

SEC. 101. REVISION OF ECONOMIC ASSISTANCE PROGRAMS.

The Foreign Assistance Act of 1961 is amended by striking out part I and inserting in lieu thereof the following:

"TITLE I—ECONOMIC ASSISTANCE

"CHAPTER 1—ECONOMIC ASSISTANCE POLICIES

"SEC. 1101. FINDINGS AND DECLARATIONS OF POLICY CONCERNING ECONOMIC ASSISTANCE PROGRAMS GENERALLY.

"(a) REASONS FOR ECONOMIC ASSISTANCE.—The Congress finds and declares as follows:

"(1) Fundamental and pervasive economic, political, and technological changes have resulted in the growing interdependence of countries and have created an increasing awareness in the United States and around the world of the need for all countries to participate in efforts to promote broad based, sustainable development.

"(2) The economic prosperity and security of the people of the United States and of the world are best maintained and enhanced in an international community that respects individual civil and political rights and economic freedoms, provides for fundamental human needs, works to use wisely the world's limited resources in a sustainable manner, and works toward the achievement of economic well-being for all people.

"(3) Economic assistance authorized by this title reflects the traditional humanitarian ideals of the American people and a commitment—

"(A) to assist in the elimination of hunger, poverty, illness, and ignorance in developing countries, and

"(B) to help alleviate the suffering brought about by natural and manmade disasters.

"(4) The efforts of developing countries to build and maintain the social, political, and economic institutions necessary to achieve self-sustaining growth and to provide opportunities to improve the quality of life for their people depend primarily upon successfully marshalling their own economic and human resources. The Congress recognizes that the magnitude of these efforts exceeds the resources of developing countries and therefore accepts that there will be a long-term need for wealthy countries to contribute additional resources for development purposes. The United States should take the lead in concert with other nations to mobilize such resources from public and private sources.

"(b) NEED FOR COORDINATED APPLICATION OF RESOURCES.—The Congress recognizes that successful achievement of the four basic objectives set forth in section 1102 depends on the coordinated application of resources. Accordingly, the President should—

"(1) develop and implement a coordinated international economic and development policy and program of action designed to make progress toward the achievement of those objectives, bringing to bear all relevant activities of the United States Government, including policies concerning international trade and debt, contributions to multilateral development banks, policies concerning international monetary issues, and policies in such areas as agriculture, the environment, and health; and

"(2) work with other donor countries and institutions to coordinate international development programs and policies.

"SEC. 1102. BASIC OBJECTIVES OF ECONOMIC ASSISTANCE PROGRAMS AND UNITED STATES DEVELOPMENT COOPERATION POLICY.

"(a) FOUR BASIC OBJECTIVES.—The primary purpose of United States economic assistance is the promotion of broad based, sustainable, participatory development, with particular focus on the poor. In pursuit of that purpose, economic assistance programs to the extent specified in this Act, and United States economic cooperation policy generally, shall have the following four basic objectives, which are interrelated and mutually reinforcing:

"(1) SUSTAINABLE ECONOMIC GROWTH.—Promotion of broad based economic growth.

"(2) SUSTAINABLE RESOURCE MANAGEMENT.—Improvement of resource management designed to bring about environmentally and economically sustainable patterns of development.

"(3) POVERTY ALLEVIATION.—Alleviation of the worst manifestations of poverty through the development of human resource capacity.

"(4) DEMOCRACY.—Promotion of democracy, respect for human rights, and social and economic pluralism.

"(b) SUSTAINABLE ECONOMIC GROWTH.—

"(1) RATIONALE.—Broad based, sustainable economic growth is in the interest of the United States because it permits countries to progress toward economic self-reliance, to improve the living standards of their citizens, and to increase international markets for trade and investment. Market-oriented economic growth establishes the basis for sustainable development and reinforces democratic ideals and practices. Successful long-term development cannot occur without broad based, sustainable economic growth that enables the poor to increase their incomes and access to productive resources and services so that they can satisfy their basic needs and lead lives of decency, dignity, and hope.

"(2) ELABORATION ON OBJECTIVE.—(A) Implementation of the objective of promoting broad based economic growth should recognize that economic, social, political, and environmental conditions vary among countries. While taking account of such differences, the economic assistance programs carried out in furtherance of the four basic objectives set forth in this section shall emphasize the following principles:

"(i) Security of economic rights for all citizens without regard to sex, race, religion, language, or social status, including the right to own property, the right to fair return from one's labor, and the right to engage in productive use of available assets.

"(ii) Economic policies based on free market principles as a means for establishing prices and for allocating goods and services.

"(iii) Economic reforms that benefit or are sensitive to and minimize adverse impact on the poor.

"(iv) Market base reforms—deregulation, privatization, labor market reform, reduction in barriers to the free flow of trade and investment—which increase the opportunity for all, especially the poor, to participate in economic activity.

"(v) Government policies protecting economic rights, fair and open markets, and the fulfillment of basic human needs.

"(vi) Adherence by governments to international economic agreements, particularly those relating to free and fair trade practices and to respect for worker rights.

"(B) A primary test of the effectiveness of economic assistance programs designed to promote broad based economic growth is the

extent to which the poor and disenfranchised can participate in and benefit from these programs and are thereby brought into the development process.

"(c) SUSTAINABLE RESOURCE MANAGEMENT.—

"(1) RATIONALE.—The economic and social well-being and the security of the United States and other countries are affected by how the world's environment and physical resource base are managed. Consumption patterns, systems of industrial and agricultural production, demographic trends, and the manner of use of natural resources all impact on the opportunities for long-term development and growth and survival for all countries. Both developed and developing countries share responsibility for the rational and sustainable management of natural resources.

Responsible management of physical resources is necessary to insure the availability of resources for future generations and to assure that the burdens of improved resource management do not fall disproportionately on the poor.

"(2) ELABORATION OF OBJECTIVE.—(A) Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Economic assistance programs authorized by this title should assist countries to adopt policies and programs that promote ecologically sound patterns of growth. Improved resource management tailored to the conditions and capabilities of the particular developing countries should be an integral part of all planning, programming, and reporting activities with respect to economic assistance.

"(B) Sustainable resource management should be promoted through the establishment and implementation of public policies and programs that provide incentives for better long-term management of resources and private and public investment toward resource-conserving technologies of production in energy, agricultural, and industrial production. To achieve this objective will entail, among other things—

"(i) more efficient and resource-conserving systems of sustainable agricultural production, with special emphasis on rain-fed agriculture;

"(ii) greater attention to forestry management for sustainable yields, agroforestry, reforestation, and watershed conservation, including better resource monitoring and assessment systems;

"(iii) improved water use management, including watershed protection, sustainable and efficient irrigation projects, and efforts to reduce costs and improve delivery of potable water and sanitation systems for both urban and rural areas;

"(iv) more systematic collection, preservation, and sharing of original and evolved plant and animal genetic material, including preservation of ecosystems and natural habitats;

"(v) attention to more efficient management of existing energy systems, to the promotion of increased use of least-cost energy resource planning procedures, and to the development of economically viable and more efficient systems of energy production and consumption that seek to maximize resource conservation;

"(vi) attention to resource conserving systems of urban development and industrialization that make efficient use of energy and natural resources, minimize the adverse effects of air and water pollution, facilitate safe waste disposal, including toxic wastes, and provide for improved environmental health and safety of the urban and surrounding rural populations;

"(vii) efforts to analyze and to reduce man-made contributions to changes in the global climate, including factors that may be contributing to global warming in the Earth's atmosphere; and

"(viii) greater attention to the relationships among demographic pressures, poverty, and environmental degradation.

"(C) Growth that is not environmentally sustainable cannot be economically sustainable in the long run. Improved resource management is a critical element of a balanced pattern of development.

"(d) POVERTY ALLEVIATION.—

"(1) RATIONALE.—It is in the interest of the United States to assist developing countries to achieve patterns of growth and development that will measurably and sustainably alleviate the worst manifestations of poverty in rural and urban areas and allow all people, especially those with low incomes, to lead economically and socially productive lives. As a people endowed with a spirit of humanitarian generosity, United States citizens have long demonstrated a moral imperative to help those in need. Further, peace and stability in the world cannot be achieved without economic development that also alleviates the worst manifestations of poverty.

"(2) ELABORATION OF OBJECTIVE.—(A) Broad based economic growth is necessary for the alleviation of the worst manifestations of poverty. Conversely, neither growth nor the alleviation of poverty can be sustained unless all people, especially the poor, have the basic assets and capabilities that foster the exercise of choice and participation in the economic, social, and political life of the country. Women, female children, and children of poor people have been especially disadvantaged in their access to these assets. Governments, together with nongovernmental organizations and international and multilateral organizations, should give special attention to alleviating the worst manifestations of poverty among these groups. Long-term poverty alleviation depends on patterns of broad based economic growth and the productivity generated by investments in the expansion of human well-being, capacity, and choice.

"(B) To achieve the objective of alleviating the worst manifestations of poverty will entail, among other things—

"(i) the expansion of education to all segments of the society, with particular attention to universal access to basic education, to sustainable improvement in the quality and diversity of educational opportunity, and to female education at all age levels;

"(ii) improvement in coverage, quality, and sustainability of health services, with special emphasis on universal access to primary health care, epidemiological detection and prevention programs, and sustainable systems of health care for mothers and children;

"(iii) a consistent program of support for systematic expansion of voluntary family planning services, with special emphasis on the role of the private voluntary and commercial sectors as providers of such services and on the development of more effective, acceptable family planning technologies appropriate to the conditions of developing countries;

"(iv) support for activities that enhance secure access of all to adequate food and nutrition derived from sustainable agricultural production, including the effectiveness and development contribution of food assistance made available under the Agricultural Trade Development and Assistance Act of 1954 and other food assistance programs; and

"(v) support for activities that enhance universal access to safe drinking water, basic sanitation, and basic shelter necessary for health.

"(e) DEMOCRACY.—

"(1) RATIONALE.—The promotion of democracy throughout the world is in the basic interest of the United States. Democratic development, political pluralism, and respect for internationally recognized human rights are intrinsically linked to economic and social progress. Democracy can only be sustained in a society in which the legitimacy of the government rests firmly on the expressed consent of the governed; the rights of all citizens, including minorities, are respected and protected; and there is effective civilian control over the military and security forces. It is in the interest of the United States and in keeping with our democratic traditions to support democratic aspirations and values, foster the spread of democratic institutions, and encourage universal respect for civil and political liberties.

"(2) ELABORATION ON OBJECTIVE.—(A) Furtherance of the basic objective of democracy requires that the United States promote—

"(i) the ability of all citizens of a country to organize and associate freely and independently of the government;

"(ii) the ability of all citizens to freely choose their government, to hold that government accountable, and to participate in political life;

"(iii) increased respect for internationally recognized human rights and the rule of law;

"(iv) respect for the diversity among the citizens of a country; and

"(v) acceptance of and respect for civilian authority by all elements of society.

"(B) An essential ingredient of development is the growth of indigenous nongovernmental organizations that are committed to democratic values and active in the promotion of democracy. United States efforts to foster democratic pluralism and build democratic institutions are most likely to create enduring bonds of democratic cooperation when United States nongovernmental organizations are involved in strengthening the capacity of nongovernmental organizations in other countries.

"(C) Democracy requires honest and open participatory government. United States assistance should help governments to establish processes of accountability and transparency to eliminate corruption and abuses of power and assist nongovernmental organizations to develop the capability to monitor the government's performance.

"(f) CROSS-CUTTING ELEMENTS.—The following key elements are applicable to the design and implementation of economic assistance programs to promote the four basic objectives set forth in subsection (a):

"(1) PARTICIPATION AND CONSULTATION.—Development is a process of change that requires the best possible information and judgment about the needs, capabilities, and aspirations of those most affected, either as participants in the delivery of assistance or as beneficiaries of assistance. For development to be broad based and sustainable, it is imperative to consult with, and fully engage in the policy and program planning process of, the governmental and nongovernmental organizations representative of and knowledgeable about local people and their interests. It is critical to involve beneficiaries in the assessment of the social, economic, and environmental impact of development

projects and programs. Use of local nongovernmental organizations is an effective means to accomplish this objective.

"(2) WOMEN IN DEVELOPMENT.—The expansion of women's economic opportunities is essential to alleviate poverty and to bring about effective broad based, sustainable development. Women must be an integral part of all aspects of any development program. The active involvement of women in economic, political, and social activities is necessary to promote democracy and to assure sustainable development. Women must participate in development as agents of change, not merely as recipients and beneficiaries of change. Women should, therefore, be integrally involved in policies, programs, and projects undertaken to achieve the objectives set forth in subsection (a).

"(3) NONGOVERNMENTAL COOPERATION IN DEVELOPMENT.—(A) Nongovernmental organizations (including private voluntary organizations, cooperatives, and credit unions) provide important mechanisms to increase the participation of rural and urban poor people in broad based sustainable development efforts and in the building of more pluralistic and open societies. The contributions of United States and indigenous nongovernmental organizations that represent and involve indigenous groups and communities should be fully utilized in meeting the four basic objectives set forth in subsection (a).

"(B) Cooperatives, credit unions, and other United States and indigenous nongovernmental organizations provide an opportunity for people to participate directly in democratic decisionmaking for their economic and social benefit through ownership and control of business enterprises and through the mobilization of local capital and savings. Such organizations should be fully utilized in fostering free market principles and the adoption of self-help approaches to development.

"(C) Nongovernmental organizations participating in the furnishing of assistance under this title should have a grassroots base and receive a significant portion of their financial support from other than government sources.

"(4) APPROPRIATE TECHNOLOGY.—The United States can make a significant contribution to development through the application of its vast array of technology. The President must ensure that such technology is appropriate for the level of development and factors of production prevalent in a particular country. In promoting such appropriate technology, the President should focus particularly on the capabilities of the private sector.

"(5) COLLABORATION.—The capabilities of many developing countries have evolved sufficiently that their institutions can collaborate on an equal basis with institutions in developed countries. At the same time, transnational threats that endanger political, economic, social, and environmental well-being require collaborative efforts among developed and developing countries. United States economic assistance should increasingly be focused on efforts to strengthen institutions in developing countries so that they may become partners in mutual international efforts to address transnational threats. United States collaborative programs should include association with institutions in advanced developing countries.

"(6) UTILIZATION OF UNITED STATES INSTITUTIONAL CAPABILITIES.—Programs and projects undertaken to achieve the basic objectives set forth in subsection (a) should recognize and take advantage of United States capabilities in science and technology and in access to education and training in United States colleges, universities, and technical training facilities. Long-term collaboration between public and private institutions of science, technology, and education in the United States and developing countries should be promoted and encouraged, with emphasis on increasing professional capabilities in developing countries for the provision of technical assistance in activities supported by the United States.

"(7) HUMAN RIGHTS.—United States economic assistance programs and policies, while encompassing due respect for differences in cultural values and national histories, should reflect the United States commitment, in keeping with its constitutional heritage and traditions and in accordance with its international obligations as set forth in the Charter of the United Nations, to promote and encourage increased respect for human rights and fundamental freedoms (as set forth in the Universal Declaration of Human Rights) throughout the world without regard to sex, race, language, religion, or social status.

"(g) EFFECTIVE USES OF ASSISTANCE.—

"(1) BENEFICIARY COUNTRIES.—Assistance furnished under this title should be concentrated in countries that will make the most effective use of that assistance in promoting the four basic objectives set forth in subsection (a).

"(2) ASSISTANCE WITHIN COUNTRIES.—Activities should be undertaken in regions of recipient countries that offer potential for successful development and should not be undertaken if the relevant sector or national economic policies of the country are clearly unfavorable to the sustainability or broadest possible impact of the assisted program or project.

"(3) TYPES OF ACTIVITIES.—Assistance should focus on those types of activities that the United States can provide most effectively.

"(4) CHILD SURVIVAL PRIORITY COUNTRIES.—(A) The President shall establish programs in support of health for all (such as health care initiatives, child survival activities, access to potable water and basic sanitation, and basic nutrition, including nutrition programs under the Agricultural Trade Development and Assistance Act of 1954) in each child survival priority country with which the United States has an ongoing program of development assistance or assistance from the Development Fund for Africa. The preceding sentence shall not apply in a fiscal year if the President submits to the appropriate congressional committees, before the beginning of such fiscal year, a detailed rationale for not including such programs in the programs of assistance for such child survival priority country.

"(B) A country shall be considered to be a child survival priority country for purposes of subparagraph (A) if the mortality rate in that country for children under 5 years of age is greater than 70 per 1,000 live births.

"(5) BASIC EDUCATION PROGRAMS.—(A) The President shall establish programs in support of basic education (including early childhood education, primary education, teacher training, other necessary activities in support of early childhood and primary education, and literacy training for adults) in each basic education priority country with which the United States has an ongoing program of development assistance or assistance from the Development Fund for Africa. The preceding sentence shall not apply in a fiscal year if the President submits to the Congress, before the beginning of such fiscal year, a detailed rationale for not including such programs in the programs of assistance for such basic education priority country.

"(B) A country shall be considered to be a basic education priority country for purposes of subparagraph (A) if fewer than 80 percent of primary school-age children in that country complete primary education.

"CHAPTER 2—DEVELOPMENT ASSISTANCE

"Subchapter A—Development Assistance Authorities

"SEC. 1201. ASSISTANCE FOR DEVELOPMENT NEEDS.

"(a) AUTHORIZATION.—The President shall use the authorities of this section to provide assistance, in furtherance of the basic objectives set forth in section 1102, to meet long-term development needs in developing countries.

"(b) FORMS OF ASSISTANCE.—The assistance authorized by this section shall be furnished as project and program assistance.

"(c) PURPOSE OF ASSISTANCE.—The authorities provided in subsection (d) shall be used in furnishing development assistance under this chapter to support a process of long-term development and economic growth in urban and rural areas of developing countries that is broad based, participatory, and sustainable, with particular focus on the poor.

"(d) GENERAL AUTHORITIES.—The President is authorized to provide development assistance to promote the following:

"(1) Economic policies that advance the four basic objectives set forth in section 1102, taking into account the need to protect vulnerable groups.

"(2) Increased agricultural productivity, especially food production and processing.

"(3) Improved health conditions, preventive care programs, and self-sustaining primary health care systems, with special emphasis on meeting the needs of mothers and children, including increased access to maternal, prenatal, and neonatal health care initiatives.

"(4) Child survival activities utilizing simple, available technologies that can reduce childhood morbidity and mortality, such as improved and expanded immunization programs, oral rehydration to combat diarrheal diseases, and education programs aimed at improving nutrition and sanitation and at promoting child spacing.

"(5) Prevention and control of acquired immune deficiency syndrome (AIDS), with a special emphasis on community-based education programs focused on changing attitudes and behavior.

"(6) Activities to address the health, education, nutrition, and other special needs of displaced children who have been abandoned or orphaned as a result of poverty or man-made or natural disaster.

"(7) Voluntary population planning, including increased access to voluntary family planning services.

"(8) Improved quality and increased availability of educational opportunities, through both formal and informal mechanisms, especially universal access to basic education.

"(9) Environmentally sound, sustainable resource management, including projects in agricultural production and processing, forestry management, land and water management, and preservation of biological diversity.

"(10) Increased respect for internationally recognized human rights and the rule of law.

"(11) Improved performance of institutions of democratic governance, and the growth of independent associations.

"(12) More efficient energy systems, including energy efficiency improvements and the use of small-scale renewable energy technologies, and the use of least-cost energy resource planning to minimize total system costs, including costs to the environment.

"(13)(A) Expanded improvements in the physical and economic infrastructure of developing countries, including expanded availability and improvements in the quality of basic infrastructure, such as shelter, water, and electricity,

"(B) developmentally sound trade and commercial opportunities for continued United States involvement and participation in infrastructure assistance,

"(C) increased use of United States technical expertise, primarily in the private sector, in carrying out subparagraphs (A) and (B), in order to improve preproject planning and environmental impact assessments of projects, and otherwise; and

"(D) continued monitoring of the provision of infrastructure assistance to ensure that it conforms to the four basic objectives set forth in section 1102.

"(14) The development of income-generating opportunities, with special emphasis on the promotion of small and micro-enterprises.

"(15) Improved management accountability of public and private institutions.

"(16) Basic and applied research relevant to overcoming constraints to broad based, sustainable development.

"(17) Research and projects to devise and support new strategies to attack transnational threats that endanger the security and social and economic well-being of individual nations of the global community.

"(18) Programs to increase awareness of the effects of the production of and trafficking in narcotics and psychotropic drugs and other controlled substances and to reduce illicit cultivation of such drugs and other substances by stimulating broader development opportunities.

"(19) Other means of promoting the objectives set forth in section 1102.

"SEC. 1202. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out this chapter $1,077,000,000 for fiscal year 1992 and $1,027,000,000 for fiscal year 1993.

"SEC. 1203. FUNDING FOR HEALTH, CHILD SURVIVAL, AIDS, AND VITAMIN A DEFICIENCY ACTIVITIES.

"(a) HEALTH, CHILD SURVIVAL, AND AIDS.—

"(1) AGGREGATE EARMARK.—Of the funds authorized to be appropriated by section 1202, not less than $327,000,000 for each of the fiscal years 1992 and 1993 shall be available only to carry out paragraphs (3), (4), and (5) of section 1201(d).

"(2) FUNDING TARGETS.—The Administrator should target not less than the following amounts of the funds authorized to be appropriated by section 1202 for each of the fiscal years 1992 and 1993 for assistance under the following paragraphs of section 1201(d):

"(A) $135,000,000 to carry out paragraph (3), relating to health.

"(B) $130,000,000 to carry out paragraph (4), relating to child survival activities.

"(C) $62,000,000 to carry out paragraph (5), relating to acquired immune deficiency syndrome (AIDS) prevention and control.

"(b) VITAMIN A DEFICIENCY.—

"(1) FINDINGS.—The Congress finds that vitamin A deficiency is a major cause of childhood mortality. The Congress recognizes that increasing vitamin A consumption is inexpensive, practical, and cost-effective in terms of human productivity.

"(2) FUNDING.—Of the funds authorized to be appropriated by section 1202, not less than $12,000,000 for fiscal year 1992 and not less than $15,000,000 for fiscal year 1993 shall be made available only for reducing vitamin A deficiency.

"SEC. 1204. ASSISTANCE FOR POPULATION PLANNING.

"(a) POPULATION PLANNING ASSISTANCE.—In order to increase the opportunities and motivation for family planning and to reduce the rate of population growth, assistance under this chapter shall include assistance for voluntary population planning.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President to carry out this section $300,000,000 for fiscal year 1992 and $350,000,000 for fiscal year 1993, in addition to any other amounts made available under this Act for such purpose.

"(c) LIMITATION ON DIVERSION OF POPULATION FUNDS TO OTHER PURPOSES.—In implementing requirements or authorities to provide assistance from funds appropriated to carry out this chapter or this title, the amount available to carry out subsection (a) pursuant to the authorizations provided in subsection (b) shall not be reduced by a greater proportion than the amount available to carry out section 1201 pursuant to the authorizations provided in section 1202.

"SEC. 1205. FUNDING FOR THE UNITED NATIONS POPULATION FUND.

"Of the funds appropriated under section 1204(b), $20,000,000 or 16 percent of the amount appropriated (whichever is less) shall be available only for the United Nations Population Fund, subject to the following conditions:

"(1) The United Nations Population Fund shall be required to maintain these funds in a separate account and not commingle them with any other funds.

"(2) None of these funds shall be made available for programs for the People's Republic of China.

"(3) Any agreement entered into by the United States and the United Nations Population Fund to obligate these funds shall expressly state that the full amount granted by such agreement will be refunded to the United States if any United States funds are used for any family planning programs in the People's Republic of China or for abortions in any country.

"SEC. 1206. NONGOVERNMENTAL ORGANIZATION FAMILY PLANNING ASSISTANCE ACTIVITIES.

"Funds made available to carry out this title or chapter 1 or chapter 2 of title V that are made available for population activities shall not be denied to nongovernmental organizations or multilateral organizations on the basis of any criterion that is not applicable to foreign governments that receive such funds.

"Subchapter B—Special Focus Programs and Activities

"SEC. 1221. ASSISTANCE FOR HUMAN RIGHTS AND DEMOCRATIC INITIATIVES.

"(a) AUTHORIZATION AND GENERAL PURPOSES OF ASSISTANCE.—The President may use funds made available for development assistance, economic support assistance, and assistance from the Development Fund for Africa to furnish assistance to support the programs and activities described in subsection (b) in order to—

"(1) promote increased adherence to internationally recognized human rights, as set forth in the Universal Declaration of Human Rights;

"(2) improve the performance of institutions of democracy; and

"(3) otherwise promote democracy pursuant to section 1102.

"(b) PROGRAMS AND ACTIVITIES THAT MAY BE SUPPORTED.—Funds made available under this section shall be available to support the following:

"(1) Programs and activities to enhance the independence and performance of institutions of democratic governance, including support for judicial, electoral, and legislative processes.

"(2) Programs and activities—

"(A) to encourage the growth of independent associations by strengthening professional, civic, trade union, business, community, and other organizations, and

"(B) to enhance the organizational and leadership skills of the members of such organizations in order to increase citizen participation in democratic processes.

"(3) Programs and activities to increase awareness of internationally recognized human rights (including by increasing the availability of information concerning the status of respect for internationally recognized human rights), improve the effective exercise of those rights, and strengthen respect for the rule of law.

"(4) Programs and activities—

"(A) to support victims of abuses of internationally recognized human rights, including—

"(i) the direct provision of legal services, and

"(ii) the provision of rehabilitation services for victims of torture; and

"(B) to support organizations and institutions seeking to bring to justice those responsible for perpetrating such abuses.

"(5) Programs and activities to support a free and independent press.

"(6) Programs and activities to—

"(A) provide specialized professional training, scholarships, and exchanges for continuing legal education;

"(B) promote the role of the bar in judicial selection, enforcement of ethical standards, and legal reform; and

"(C) increase the availability of legal materials and publications.

"(7) Programs and activities to develop the institutional capacities of legislative bodies.

"(8) Programs and activities to support the revision and modernization of legal codes and procedures, including support for legislative bodies to assist them in accomplishing those ends.

"(c) ELIGIBLE RECIPIENTS OF ASSISTANCE.—Assistance under this section may be furnished to countries and organizations, both public and nongovernmental, including national, regional, and international organizations. A substantial portion of the funds made available each fiscal year to carry out this section shall be used for assistance provided to nongovernmental organizations.

"(d) PROHIBITION RELATING TO ELECTIONS.—Assistance under this section may not be used to influence the outcome of any election in any country.

"(e) LIMITATION ON USE OF CERTAIN FUNDS.—Funds made available for assistance under the Development Fund for Africa may be used under this section only with respect to countries in sub-Saharan Africa.

"SEC. 1222. DEVELOPMENT EDUCATION.

"The President may use funds made available for development assistance, economic

support assistance, or assistance from the Development Fund for Africa to support development education programs, with emphasis on those conducted by private voluntary organizations and cooperatives, in order to assist in the education of United States citizens about developing countries, the development process, and the importance to the United States of developing countries.

"SEC. 1223. STRENGTHENING THE CAPACITY OF NONGOVERNMENTAL ORGANIZATIONS, INCLUDING RESEARCH AND EDUCATIONAL INSTITUTIONS.

"The President may use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa to furnish assistance to nongovernmental organizations, including research and educational institutions, in the United States and abroad for the purpose of strengthening their capacity to develop and carry out programs concerned with the economic and social development of developing countries.

"SEC. 1224. MICROENTERPRISE DEVELOPMENT.

"(a) FINDINGS.—The Congress makes the following findings and declarations:

"(1) More than a billion people in the developing world are living in poverty, with incomes of less than $370 a year.

"(2) According to the World Bank, mortality for children under 5 averaged 121 per thousand for all developing countries.

"(3) Nearly 40,000 children die each day from malnutrition and disease.

"(4) Poor people themselves can lead the fight against hunger and poverty through the development of self-sustaining microenterprise projects.

"(5) Women in poverty generally are less educated, have a larger workload, and have less access to economic opportunity than their male counterparts. Directly aiding women in the developing world has a positive effect on family incomes, child nutrition, and health and education.

"(6) Microenterprise development offers the opportunity for the poor to play a central role in undertaking strategies for small scale, self-sustaining businesses that can bring them out of poverty.

"(7) The World Bank estimates that there are over 400,000,000 self-employed poor in the developing world and projects that, by the year 2020, 95 percent of African workers will be employed in the informal sector.

"(8) For many people, lack of credit creates an obstacle to the development of self-sustaining enterprises.

"(9) Projects like the Grameen Bank of Bangladesh, the Badan Kredit Kecamatan in Indonesia, and ADEMI in the Dominican Republic have been successful in promoting credit programs that have lent money directly to the poor. Repayment rates in these programs are 95 percent or higher indicating that it is possible to 'bank on the poor'.

"(10) The Agency for International Development has been a leader in small and microenterprise development in the past 20 years.

"(11) The Congress earmarked funds for fiscal years 1988, 1989, 1990, and 1991 for microenterprise development activities and has called upon the Agency for International Development to take steps to ensure that its microenterprise activities included a credit component designed to reach the poorest sector of the developing world.

"(12) In 1989, the Agency for International Development created the Office of Small and Microenterprise Development within the Bureau for Private Enterprise to lead and coordinate the Agency's microenterprise efforts.

"(13) In March 1990, the Agency for International Development reported that new spending for microenterprise development was $58,800,000 for 1988 and $83,300,000 for 1989 and that the average loan size for the credit component of the program averaged $329 for 1988 and $387 for 1989. However, less than 10 percent of the spending for the 1988 program, and less than 7 percent of the spending for the 1989 program, was for loans of under $300.

"(14) A February 1991 report by the General Accounting Office indicated that data in that March 1990 report was of 'questionable validity' and that the Agency for International Development did not have a system to track detailed information concerning its microenterprise credit activities. Furthermore, the General Accounting Office found that none of the 3 missions that it visited targeted their microenterprise projects specifically to women or to the poorest 20 percent of the population, as recommended by the Congress.

"(15) The Congress recognizes that provision of credit alone may not be sufficient to generate opportunities for successful microenterprise development and that assistance focused in the areas of institutional development, technical assistance, training, and policy reform may also be appropriate for assisting microenterprise development.

"(16) The Agency for International Development has indicated its willingness to explore the idea of holding a series of regional workshops on microenterprise development. The Congress encourages the Agency to include in these workshops opportunities for training Agency personnel and United States and indigenous private voluntary organizations in activities designed to reach the poorest of the poor.

"(b) PURPOSES.—The purposes of this section are—

"(1) to provide for the continuation and expansion of the commitment of the Agency for International Development to microenterprise development;

"(2) to increase the amount of assistance going to credit activities designed to reach the poorest sector in developing countries; and

"(3) to increase the percentage of such credit that goes to women beneficiaries.

"(c) GENERAL AUTHORITY.—The President, acting through the Administrator, is authorized to provide assistance for programs of credit and other assistance for microenterprises in developing countries. In addition to providing financial resources for direct credit activities of indigenous financial intermediaries, assistance under this section may include assistance for institutional development of such intermediaries (including assistance to enable private voluntary organizations to develop the capability to serve as financial intermediaries), technical assistance, training, and policy reform. Microenterprise credit and related activities assisted under this section shall be carried out primarily through those indigenous financial intermediaries and private voluntary organizations that are oriented toward working directly with the poor and women.

"(d) ELIGIBILITY CRITERIA FOR FINANCIAL INTERMEDIARIES.—The mission of the administering agency for this title that is responsible for a country receiving assistance under this section shall establish criteria for determining the financial intermediaries that will receive assistance under this section, taking into account the following:

"(1) The extent to which the recipients of credit from the intermediary lack collateral.

"(2) The extent to which the recipients of credit from the intermediary do not have access to the local formal financial sector.

"(3) The extent to which the recipients of credit from the intermediary have relatively limited amounts of fixed assets.

"(4) The extent to which the recipients of credit from the intermediary are among the poorest people in the country.

"(5) The extent to which interest rates charged by the intermediary on loans reflect the real cost of lending.

"(6) The extent to which the intermediary reaches women as recipients of credit.

"(7) The extent to which the intermediary is oriented toward working directly with the poor and women.

"(e) LOWER TIER FOR POVERTY LENDING ACTIVITIES.—A significant portion of the amount made available each fiscal year to carry out this section shall be used to support direct credit assistance by, and the institutional development of, those financial intermediaries with a primary emphasis on assisting those people living in absolute poverty, especially women.

"(f) FOCUS ON WOMEN.—The Office of Small and Microenterprise Development in the administering agency for this title shall include in its annual action plans a strategy for increasing the access of women in developing countries to credit and other microenterprise development activities, with the goal of increasing to at least 50 percent the percentage of microenterprise credit that goes to women beneficiaries. This strategy shall be developed in consultation with the agency's Women in Development Office.

"(g) FUNDINGS SOURCES.—Funds to carry out this section shall be derived from the following sources:

"(1) Funds available for development assistance.

"(2) Funds available for assistance from the Development Fund for Africa.

"(3) Funds available for economic support assistance.

"(4) Local currency proceeds resulting from the provision of development assistance, assistance from the Development Fund for Africa, or economic support assistance.

"(5) Local currency proceeds available for use under section 306(a) of the Agricultural Trade Development and Assistance Act of 1954 (as amended by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624)).

"(6) Local currency proceeds resulting from assistance provided under the Agricultural Trade Development and Assistance Act of 1954 as in effect immediately before the effective date of the amendment made by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990.

"(7) Local currency generated under subsection (h).

"(h) AUTHORITY TO GENERATE LOCAL CURRENCIES.—In order to generate local currencies for use in providing assistance under this section, the President is authorized to use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa to provide assistance to the governments of developing countries on a loan basis repayable in local currencies, at a rate of exchange to be negotiated by the President and the foreign government. Such loans shall have a rate of interest and a repayment period determined by the President.

"(i) NONAPPLICABILITY OF CERTAIN LAWS.—Local currencies used under subsection (g)(7) shall not be subject to the requirements of section 1306 of title 31, United States Code,

or other laws governing the use of foreign currencies owned by, owed to, or accruing to the United States.

"(j) FUNDING LEVELS FOR FISCAL YEARS 1992 AND 1993.—

"(1) MINIMUM LEVEL OF ASSISTANCE.—The Administrator shall use not less than $85,000,000 for fiscal year 1992, and not less than $85,000,000 for fiscal year 1993, for microenterprise assistance pursuant to this section.

"(2) ASSISTANCE FOR THE POOREST SECTORS.—

"(A) MINIMUM FUNDING LEVEL.—Of the amounts used pursuant to paragraph (1), not less than $20,000,000 for fiscal year 1992 and not less than $30,000,000 for fiscal year 1993 shall be used to support loans having a purchasing power equal to or less than $300 (in United States dollars).

"(B) INITIAL LOANS.—Of the loans supported pursuant to subparagraph (A), initial loans to microenterprises should, to the maximum extent practicable, have a purchasing power equal to or less than $150 (in United States dollars).

"(C) CRITERIA FOR ATTRIBUTION TO FUNDING REQUIREMENTS.—In addition to amounts made available for direct credit activities involving loans described in subparagraph (A) or (B), amounts used for institutional development of a financial intermediary described in subsection (e) shall be considered to support such loans for purposes of that subparagraph to the same extent as the aggregate amount loaned by such institution represents loans described in that subparagraph.

"(3) USE OF LOCAL CURRENCIES.—In order to meet the funding requirements of this subsection, local currencies described in subsection (g) may be used in lieu of an equivalent amount of dollars.

"(k) MONITORING.—The Administrator shall develop a monitoring system to evaluate the microenterprise development activities of the administering agency for this title, including their effectiveness in reaching the poor and women and their overall impact on economic development in each beneficiary developing country. In developing this system, the Administrator shall consult with the appropriate congressional committees and with appropriate private voluntary organizations.

"(l) REPORTS TO CONGRESS.—The Administrator shall report to the Congress annually on the microenterprise development activities of the administering agency for this title, including the agency's strategy for complying with the minimum funding requirements of subsections (j) (1) and (2).

"SEC. 1225. PRIVATE VOLUNTARY ORGANIZATION ACTIVITIES.

"(a) FINDINGS.—The Congress finds that the participation of rural and urban poor people in the activities to be carried out to promote the basic objectives set forth in section 1102 can be assisted and accelerated in an effective manner through an increase in activities carried out by private voluntary organizations and cooperatives.

"(b) FUNDING.—Of the funds authorized to be appropriated for development assistance and assistance from the Development Fund for Africa, not less than $275,400,000 for fiscal year 1992 and not less than $275,400,000 for fiscal year 1993 shall be made available for the activities of private voluntary organizations that promote the basic objectives set forth in section 1102.

"Subchapter C—Other Authorities and Requirements

"SEC. 1241. IMPACT OF DEVELOPMENT ASSISTANCE ON ENVIRONMENT AND NATURAL RESOURCES.

"(a) IMPACT ASSESSMENT.—The President, in implementing programs and projects under this chapter and under chapter 1 of title V (relating to Development Fund for Africa), shall take fully into account the impact of such programs and projects upon the environment and natural resources of developing countries. Subject to such procedures as the President considers appropriate, the President shall require all agencies and officials responsible for such programs or projects—

"(1) to prepare and take fully into account an initial environmental examination of every program or project to ensure that environmental considerations are integrated as early as possible into project conception and design and to ensure that each project is environmentally sustainable;

"(2) to prepare and take fully into account an environmental impact statement for any program or project significantly affecting the environment of the global commons outside the jurisdiction of any country, the environment of the United States, or other aspects of the environment which the President may specify; and

"(3) to prepare and take fully into account an environmental assessment of any proposed program or project significantly affecting the environment of any foreign country.

Such agencies and officials should, where appropriate, use local technical resources in preparing environmental impact statements and environmental assessments pursuant to this section.

"(b) EXCEPTIONS.—The President may establish exceptions from the requirements of this section for emergency conditions and for cases in which compliance with those requirements would be seriously detrimental to the foreign policy interests of the United States.

"SEC. 1242. COST SHARING.

"To ensure local commitment to, and the sustainability of development activities assisted under this chapter and under chapter 1 of title V, the beneficiary country should bear an appropriate share of the costs of the entire program or project with respect to which the assistance is to be furnished. A country may bear such costs on an 'in kind' basis.

"SEC. 1243. ASSISTANCE LIMITED TO ECONOMIC PROGRAMS.

"Development assistance, economic support assistance, and assistance from the Development Fund for Africa shall be available for economic programs and may not be used for military or paramilitary purposes.

"CHAPTER 3—ECONOMIC SUPPORT ASSISTANCE

"SEC. 1301. ASSISTANCE UNDER SPECIAL ECONOMIC, POLITICAL, AND SECURITY CONDITIONS.

"Under special economic, political, or security conditions, the national interest of the United States may require economic support for countries in amounts that could not be justified under section 1201. In such cases, the President is authorized to furnish assistance to countries and organizations in order to promote economic or political stability. Such assistance shall be furnished, to the maximum extent feasible, consistent with the four basic objectives set forth in section 1102 and the purpose and authorities specified in sections 1201 (c) and (d).

"SEC. 1302. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out section 1301 $3,322,500,000 for fiscal year 1992 and $3,322,500,000 for fiscal year 1993.

"SEC. 1303. PURCHASE OF UNITED STATES GOODS AND SERVICES.

"(a) GENERAL POLICY REGARDING FORMS OF ASSISTANCE.—Assistance under this chapter should be provided principally through commodity import programs, project assistance, sector programs, or the provision of United States goods and services.

"(b) USE OF CASH TRANSFERS FOR UNITED STATES GOODS AND SERVICES.—Assistance may be provided to a country under this chapter as a cash transfer only pursuant to an agreement requiring that the country spend an amount equal to the amount of the cash transfer to purchase United States goods and services. Nothing in this section, however, shall prevent a country from purchasing, with United States cash transfer assistance, goods or services produced in that country. United States goods purchased pursuant to such an agreement shall be deemed to have been furnished in connection with funds advanced by the United States. The President shall ensure that purchases of United States goods pursuant to such agreements, and the ports of departure for those goods, are distributed equitably throughout the United States. The United States goods purchased pursuant to such agreements shall be United States goods that are available in the United States at fair prices for such goods.

"(c) GAO AUDITS.—Each agreement pursuant to which cash transfer assistance is provided under this chapter shall include provisions to ensure that representatives of the Comptroller General have the access to records and personnel necessary to carry out such monitoring and auditing as the Comptroller General deems appropriate.

"(d) EXEMPTIONS.—This section shall not apply to any country—

"(1) that receives cash transfer assistance under this chapter of less than $25,000,000 for a fiscal year;

"(2) that, as of April 1, 1989, was receiving cash transfer assistance under the former authorities of chapter 4 of part II of this Act and has an agreement with the United States under which the country agrees—

"(A) to spend an amount equal to the amount of the cash transfer on the purchase of United States goods and services,

"(B) to carry 50 percent of all bulk shipments of United States grain on 'privately owned United States-flag commercial vessels', to the extent such vessels are available at fair and reasonable rates for such vessels, and

"(C) to purchase United States grain at levels comparable to those purchased in prior years,

except that a country shall be exempted pursuant to this paragraph only so long as that country continues to agree to those conditions; and

"(3) that, as of the effective date of this section, has an agreement with the United States requiring that the country spend an amount equal to the amount of any cash transfer assistance under this chapter to purchase United States goods and services, except that a country shall be exempted pursuant to this paragraph only so long as that country continues to agree to that condition.

United States goods purchased pursuant to an agreement described in paragraph (3)

shall be deemed to have been furnished in connection with funds advanced by the United States, and the last sentence of subsection (a) shall apply with respect to such goods.

"(e) WAIVER.—The President may waive the provisions of this section with respect to a country to the extent the President determines that it is important to the national interest to do so. Any such waiver shall be reported to the appropriate congressional committees.

"(f) DEFINITION OF UNITED STATES GOODS.—For purposes of this section, the term 'United States goods' means goods (including components) and commodities (including agricultural commodities) grown, processed, produced, or manufactured in the United States.

"CHAPTER 4—VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS

"SEC. 1401. AUTHORITY TO PROVIDE ASSISTANCE.

"The President is authorized to make voluntary contributions on a grant basis to international organizations, and to programs administered by international organizations, in order to promote the four basic objectives set forth in section 1102 or to otherwise support such organizations and programs.

"SEC. 1402. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) AUTHORIZATIONS.—There are authorized to be appropriated to the President to carry out this chapter, in addition to funds otherwise available for such purposes, $300,612,000 for fiscal year 1992 and $318,712,000 for fiscal year 1993.

"(b) EARMARKS.—Of the amounts authorized to be appropriated by this section—

"(1) $125,000,000 for fiscal year 1992 and $135,000,000 for fiscal year 1993 shall be for the United Nations Development Program;

"(2) $83,000,000 for each of the fiscal years 1992 and 1993 shall be for the United Nations Children's Fund;

"(3) $18,000,000 for fiscal year 1992 and $25,000,000 for fiscal year 1993 shall be for the United Nations Environmental Program;

"(4) $18,362,000 for each of the fiscal years 1992 and 1993 shall be for the International Fund for Agricultural Development;

"(5) $4,000,000 for each of the fiscal years 1992 and 1993 shall be for the Special Program for Africa of the International Fund for Agricultural Development;

"(6) $500,000 for fiscal year 1992 and $1,000,000 for fiscal year 1993 shall be for the United Nations University; and

"(7) $600,000 for fiscal year 1993 shall be for an additional contribution to the Organization of American States for the purpose of establishing an electronic network for the exchange of information on science and technology among professors, researchers, and scientists at universities in the countries that are members of the Organization of American States.

"SEC. 1403. CONDITION ON CONTRIBUTIONS TO THE INTERNATIONAL ATOMIC ENERGY AGENCY.

"Funds authorized to be appropriated by section 1402(a) may be contributed to the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the appropriate congressional committees) that Israel is not being denied its right to participate in the activities of that Agency.

"SEC. 1404. WITHHOLDING OF UNITED STATES PROPORTIONATE SHARE FOR CERTAIN PROGRAMS OF INTERNATIONAL ORGANIZATIONS.

"(a) REQUIREMENT TO WITHHOLD.—Funds authorized to be appropriated by this chapter shall not be available for the United States proportionate share for programs for countries or organizations or for projects described in subsection (d). This prohibition applies notwithstanding any provision of law that earmarks funds under this chapter for a particular international organization or program.

"(b) USE OF FUNDS WITHHELD.—Funds returned or not made available for programs or projects pursuant to subsection (a) shall remain available until expended for use under this chapter.

"(c) OBLIGATIONS.—The President—

"(1) shall review, at least annually, the budgets and accounts of all international organizations receiving payments of any funds authorized to be appropriated by this chapter; and

"(2) shall report to the appropriate congressional committees the amounts of funds expended by each such organization for programs or projects described in subsection (d) and the amount contributed by the United States to each such organization.

"(d) DESIGNATION OF PROGRAMS AND PROJECTS.—Subsection (a) applies with respect to programs for Cuba, Iran, Libya, or the Palestine Liberation Organization and to projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it.

"SEC. 1405. RESTRICTION ON CONTRIBUTIONS TO UNITED NATIONS RELIEF AND WORKS AGENCY.

"The United States may not make any contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East except on the condition that that Agency take all possible measures to assure that no part of the United States contribution is used to furnish assistance to any refugee—

"(1) who is receiving military training as a member of the Palestine Liberation Organization or any other guerrilla type organization; or

"(2) who has engaged in any act of terrorism.

"SEC. 1406. REPORTS ON INTERNATIONAL ORGANIZATIONS.

"(a) SUBMISSION DATE FOR ANNUAL REPORT.—The annual reports to the Congress under section 2 of the Act of September 21, 1950 (22 U.S.C. 262a), shall be submitted within 9 months after the end of the fiscal year to which they relate.

"(b) ANNUAL REPORTS ON VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS BY ALL UNITED STATES GOVERNMENT AGENCIES.—

"(1) REQUIREMENT FOR REPORTS.—Not later than January 31 each year, the President shall submit a report to the Congress listing all voluntary contributions by the United States Government to international organizations during the preceding fiscal year.

"(2) INFORMATION TO BE INCLUDED.—Each such report shall specify the Government agency making the voluntary contribution, the international organization to which the contribution was made, the amount and form of the contribution, and the purpose of the contribution. Contributions shall be listed on both an agency-by-agency basis and an organization-by-organization basis.

"(3) OBLIGATION OF EACH AGENCY.—In order to facilitate the preparation of the report required by paragraph (1), the head of any Government agency that makes a voluntary contribution to any international organization shall promptly report that contribution to the Director of the Office of Management and Budget.

"(4) DEFINITION.—As used in this subsection, the term 'contribution' means any contribution of any kind, including the furnishing of funds or other financial support, services of any kind (including the use of experts or other personnel) or commodities, equipment, supplies, or other material.

"SEC. 1407. AUDITING OF ACCOUNTS OF INTERNATIONAL ORGANIZATIONS.

"(a) UNITED NATIONS ORGANIZATIONS.—In the case of the United Nations and its affiliated organizations, including the International Atomic Energy Agency, the President should (acting through the United States representatives to such organizations), propose and actively seek the establishment by the governing authorities of such organizations of external, professionally qualified groups of appropriate size for the purpose of providing an independent and continuous program of selective examinations, review, evaluation, and audits of the programs and activities of such organizations.

"(b) MULTILATERAL DEVELOPMENT BANKS.—

"(1) IN GENERAL.—In the case of each of the organizations specified in paragraph (2), the President should, acting through the United States representative to such organization, propose and actively seek the establishment by the governing authorities of that organization of professionally qualified groups of appropriate size for the purpose of providing an independent and continuous program of selective examination, review, evaluation, and audits of the programs and activities of that organization.

"(2) MDBs SUBJECT TO PARAGRAPH (1).—The organizations to which paragraph (1) applies are the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Inter-American Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, the Asian Development Fund, and the Asian Development Bank.

"SEC. 1408. INTEGRATION OF WOMEN.

"The President is requested to instruct each representative of the United States to each international organization of which the United States is a member to carry out his or her duties with respect to such organization in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organization, thereby improving the status of women.

"CHAPTER 5—GUARANTEE PROGRAMS

"SEC. 1501. HOUSING AND URBAN DEVELOPMENT GUARANTEE PROGRAM.

"(a) FINDINGS AND POLICY.—The Congress finds that—

"(1) shelter and other essential urban development services are among the most fundamental of human needs;

"(2) while most financing for urban services must come from domestic resources, carefully designed programs involving United States capital and expertise can increase the availability of domestic financing for improved shelter and related services for low-income people by demonstrating to local entrepreneurs and institutions that providing urban services can be financially viable;

"(3) particular attention should be given to programs that will support pilot projects for low-cost shelter and other urban services or that will have a maximum demonstration impact on local institutions and national policy; and

"(4) the long run goal of all such programs should be to develop domestic capabilities and to stimulate local credit institutions to make available domestic capital and other management and technological resources required for effective programs and policies relating to low-cost shelter and other urban services.

"(b) GUARANTEE AUTHORITY.—To carry out the policies expressed in subsection (a), the President is authorized to issue guarantees to eligible investors assuring against losses incurred in connection with loans made for projects that meet the criteria set forth in subsection (a) and that promote the four basic objectives set forth in section 1102. Each guarantee issued under this subsection shall guarantee 100 percent of the principal and interest payable on such loans.

"(c) TERMS AND CONDITIONS.—The President may issue regulations from time to time with regard to—

"(1) the terms and conditions on which guarantees will be issued under this section; and

"(2) the eligibility of lenders.

"(d) FOCUS OF ACTIVITIES.—Activities carried out under this section shall be directed to the shelter and urban services needs of the poor, including—

"(1) projects that provide—

"(A) improved home sites to poor families on which to build shelter, and

"(B) related services;

"(2) projects comprised of expandable core shelter units on serviced sites;

"(3) slum upgrading projects designed to conserve and improve existing shelter;

"(4) shelter projects for low income people designed for demonstration or institution building purposes;

"(5) community facilities and services in support of projects authorized under this section to improve urban services; and

"(6) other urban services of particular importance to the needs of the poor.

"(e) INTEREST RATE ON GUARANTEED INVESTMENTS.—In the case of any loan investment guaranteed under this section, the President shall prescribe the maximum rate of interest allowable to the eligible investor. The maximum allowable rate of interest under this subsection shall be prescribed by the President as of the date the project covered by the investment is officially authorized and, prior to the execution of the contract, the President may amend such rate at his discretion, consistent with the provisions of this subsection.

"(f) LIMITATION ON GUARANTEES FOR EACH COUNTRY.—The face value of guarantees issued under this section in any fiscal year with respect to any country may not exceed $50,000,000.

"(g) CEILING ON AVERAGE FACE VALUE.—The average face value of guarantees issued under this section in any fiscal year may not exceed $25,000,000.

"(h) GUARANTEE CEILING.—The total principal amount of guarantees issued under this section (or under the former guarantee authority of section 222 of this Act or predecessor housing guarantee authorities) that are outstanding at any one time may not exceed $3,400,000,000.

"(i) MAINTENANCE OF PROGRAM LEVEL.—The principal amount of guarantees issued under this section for each fiscal year shall be comparable to the total principal amount of such guarantees issued for fiscal year 1984, subject to dollar limitations on the issuance of guarantees under this section that are contained in subsection (h) and subject to subsection (j).

"(j) APPROPRIATIONS ACTION REQUIRED.—New credit authority provided for in this section may be exercised only to such extent or in such amount as is provided in advance in an appropriation Act.

"(k) CERTAIN LOSSES NOT COVERED BY GUARANTEES.—No payment may be made under any guarantee issued under this section (or the former guarantee authorities of section 222 or 222A of this Act or predecessor guarantee authorities) for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(l) FEES TO BE CHARGED.—A fee shall be charged for each guarantee issued under this section in an amount to be determined by the Administrator. In the event the fee to be charged for such type guarantee is reduced, fees to be paid under existing contracts for the same type of guarantee may be similarly reduced.

"(m) USE OF FEES.—All fees collected in connection with guarantees issued under this section shall be available to offset the cost of guarantee obligations under this section.

"(n) FINANCING ACCOUNT.—All of the fees referred to in this section, together with earnings on those fees and other income arising from guarantee operations under this section, shall be held in a financing account maintained in the Treasury of the United States. All funds in such account may be invested in obligations of the United States. Any interest or other receipts derived from such investments shall be credited to such account and may be used for the purposes specified in subsection (m).

"(o) DISCHARGE OF LIABILITIES.—Any payments made to discharge liabilities under guarantees issued under this section shall be paid—

"(1) first, out of fees referred to in subsection (m); and

"(2) then, out of funds made available pursuant to subsection (q).

"(p) FULL FAITH AND CREDIT.—All guarantees issued under this section (or under the former guarantee authorities of section 222 or 222A of this Act or predecessor guarantee authorities) shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(q) AUTHORIZATION OF APPROPRIATIONS.—

"(1) FOR GUARANTEE OBLIGATIONS.—There are authorized to be appropriated to the President not more than $2,000,000 for fiscal year 1992 and not more than $8,100,000 for fiscal year 1993 to pay the cost of guarantee obligations under this section with a face value of $150,000,000 for each such fiscal year. Funds made available under this paragraph may be used only after all fees referred to in subsection (m) have been used.

"(2) FOR ADMINISTRATIVE EXPENSES.—There are authorized to be appropriated to the President not more than $8,500,000 for each of the fiscal years 1992 and 1993 for administrative expenses necessary to carry out this section.

"(r) ELIGIBLE INVESTORS.—As used in this section, the term 'eligible investor' has the same meaning that term is given in section 3211(3).

"(s) EXPIRATION OF AUTHORITY.—The authority of this section shall continue through September 30, 1993.

"(t) GUARANTEES UNDER FORMER AUTHORITIES.—Guarantees committed, authorized, or outstanding under the guarantee authorities formerly contained in section 222 or 222A of this Act (or predecessor guarantee authorities) shall continue subject to provisions of law originally applicable to those guarantees.

"SEC. 1502. PRIVATE SECTOR GUARANTEE PROGRAM.

"(a) FINDINGS AND POLICY.—The Congress finds and declares that—

"(1) the development of private enterprise is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system;

"(2) it is, therefore, in the best interests of the United States to assist the development of the private sector in developing countries and to engage the United States private sector in that process; and

"(3) the support of private enterprise is best served by programs providing credit, training, and technical assistance in coordination with policy reform efforts.

"(b) ACTIVITIES THAT MAY BE SUPPORTED.—Assistance under this section may be provided in developing countries only to support financially viable private sector activities that are consistent with the four basic objectives set forth in section 1102 and that meet one or both of the following criteria:

"(1) SMALL BUSINESS AND CAPITAL MARKETS.—The activity addresses capital and credit market imperfections and assists financial institutions in meeting the financial needs of the private sector. Such activity shall be primarily directed toward making available to small business enterprises and cooperatives necessary credit, training, and support services that are not otherwise available to them.

"(2) UNITED STATES BUSINESS.—The activity engages the United States private sector in projects to meet the needs of developing countries.

"(c) AUTHORITY.—

"(1) AUTHORITY.—To carry out the policy set forth in subsection (a) and the activities authorized in subsection (b), the President is authorized to issue guarantees assuring against losses incurred in connection with loans for activities that meet the requirements of subsection (b).

"(2) FULL FAITH AND CREDIT.—All guarantees issued under this section shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(3) TERMS AND CONDITIONS.—Unless the President determines otherwise, the following shall apply:

"(A) The aggregate amount of all guarantees that are provided under this section for a project may not exceed 50 percent of the total cost of the project, or $6,000,000, whichever amount is less.

"(B) The term of any such guarantee may not exceed 10 years.

"(C) As a condition to receiving a guarantee or guarantees for loans to small business enterprises and cooperatives authorized under subsection (b)(1)—

"(i) the lender shall agree to reduce its collateral requirements for loans so guaranteed, to the maximum extent possible;

"(ii) loans so guaranteed shall be to new borrowers or, if to an existing customer of the lender, shall be additional credit and may not be solely a renewal or extension of an existing loan;

"(iii) the maximum amount of any such guaranteed loan may not exceed $325,000 for a recipient that is a sole proprietor, or, if the recipient is an enterprise other than a sole proprietor, $325,000 for each co-owner, shareholder, partner, cooperative member, or other owner of the enterprise; and

"(iv) the administering agency shall work with participating lenders to develop training and technical assistance programs in cash flow analysis and lending to encourage such lenders to reduce, to the maximum extent practicable, their collateral requirements for loans guaranteed under this subparagraph.

The limitation set forth in clause (iii) shall apply for at least 85 percent of all individual beneficiaries of loans guaranteed under this section.

"(D) The President shall maintain an information system that contains operating financial data relating to loans guaranteed under this section (and any subloans made from such loans), and the projects for which the loans were made, that describes all beneficiaries of each such project, and that tracks the developmental impact of each such project, including the effect on employment, the gender of the loan recipients, and loan collateral practices. In addition, the President shall provide to the Congress, by January 31 of each year, a report that describes in detail each project for which loans guaranteed under this section are made, and includes the information referred to in the preceding sentence with respect to such project.

"(E) Not more than 20 percent of the total amount of funds loaned and contingent liabilities incurred under this section may support projects in any one country.

"(F) In determining whether an enterprise is a small business enterprise, the President shall take into account the relevant definition used by the host country government, the International Bank for Reconstruction and Development, and other international organizations.

"(4) ENFORCEABILITY.—Any guarantee issued under this section shall be conclusive evidence that such guarantee has been properly obtained, and that the underlying obligation as contracted qualifies for such guarantee. Except for fraud and material misrepresentation for which the parties seeking payment under such guarantee are responsible, such guarantee shall be presumed to be valid, legal, and enforceable.

"(5) DENOMINATION OF LIABILITY.—The losses guaranteed under this subsection may be in dollars or other currencies. In the case of losses guaranteed in currencies other than dollars, the guarantees issued shall be subject to an overall payment limitation expressed in dollars.

"(6) DISCHARGE OF LIABILITIES.—Any payments made to discharge liabilities under guarantees issued under this section shall be paid—

"(A) first, out of fees as provided in paragraph (8); and

"(B) then, out of funds made available pursuant to subsection (d).

"(7) PILOT PROGRAM FOR LIMITED DIRECT LOANS.—On a limited basis, the President is authorized to make direct loans, and charge interest therefor, to support activities authorized in subsection (b), under the following conditions:

"(A) The amount of any individual direct loan for a project may not exceed 50 percent of the total cost of the project or $3,000,000, whichever amount is less.

"(B) The aggregate amount of all such direct loans issued in any fiscal year may not exceed $10,000,000.

"(C) The term of any such loan shall not exceed 10 years.

"(D) Notification and opportunity for consultation shall be provided, at least 30 days in advance of the obligation of any funds for such direct loans in any fiscal year, to the appropriate congressional committees. Any such committee may waive such notification and opportunity for consultation with respect to that committee.

"(8) FEES.—

"(A) IN GENERAL.—A fee shall be charged for each guarantee and loan issued under this section in an amount to be determined by the President. In the event that the fee to be charged for such guarantees or loans is reduced, fees to be paid under existing contracts for such guarantees or loans (as the case may be) may be similarly reduced.

"(B) FINANCING ACCOUNT.—All fees collected under this paragraph shall be held in a financing account maintained in the Treasury of the United States. All funds in such account may be invested in obligations of the United States. Any interest or other receipts derived from such investments shall be credited to such account.

"(C) USE OF FEES.—Amounts in the financing account maintained under subparagraph (B) shall be available to offset the cost of guarantee obligations and liabilities on loans issued under this section.

"(d) APPROPRIATIONS REQUIREMENT.—Direct loan obligations may be entered into under this section, and guarantee commitments may be issued under this section, only to the extent that the budget authority for the resulting additional cost (within the meaning of the Federal Credit Reform Act of 1990) has been provided in advance in appropriations Acts.

"(e) PROGRAM CEILING.—The level of activity under this section may not exceed—

"(1) $10,000,000 in loans in each of the fiscal years 1992 and 1993; and

"(2) $57,000,000 in contingent liability for guarantees in fiscal year 1992 and $75,000,000 in contingent liability for guarantees in fiscal year 1993.

"(f) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to the President for each of the fiscal years 1992 and 1993 $1,500,000 for administrative expenses to carry out this section.

"CHAPTER 6—INTERNATIONAL DISASTER ASSISTANCE

"SEC. 1601. STATEMENT OF POLICIES.

"(a) HUMANITARIAN CONCERNS AND TRADITIONS OF THE AMERICAN PEOPLE.—The Congress, recognizing that prompt United States assistance to alleviate human suffering caused by natural and manmade disasters is a longstanding tradition and an important expression of the humanitarian interest of the people of the United States, affirms the willingness of the United States to provide assistance for the relief and rehabilitation of people and countries affected by such disasters.

"(b) REACHING THOSE MOST IN NEED.—In carrying out this chapter, the President shall insure that, to the greatest extent possible, the assistance provided by the United States reaches those most in need of relief and rehabilitation as a result of natural and manmade disasters.

"SEC. 1602. AUTHORITY TO PROVIDE ASSISTANCE.

"(a) IN GENERAL.—The President is authorized to furnish assistance to any foreign country, international organization, or private voluntary organization for international disaster relief and rehabilitation. Such assistance may include assistance relating to disaster preparedness, prevention, and mitigation and to the prediction of, and contingency planning for, natural disasters abroad.

"(b) NONAPPLICABILITY OF OTHER PROVISIONS.—Assistance may be furnished under this chapter notwithstanding any other provision of this or any other Act.

"SEC. 1603. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out this chapter, $40,000,000 for fiscal year 1992 and $40,000,000 for fiscal year 1993.

"SEC. 1604. BORROWING AUTHORITY.

"(a) AUTHORITY.—In addition to amounts otherwise available to carry out this chapter, up to $100,000,000 in any fiscal year may be obligated against appropriations described in subsection (b) for use in providing assistance in accordance with the authorities and general policies of this chapter.

"(b) SOURCES OF FUNDS.—The appropriations referred to in subsection (a) are any appropriations to carry out this Act, without regard to whether the funds are earmarked in this or any other Act. In any fiscal year, the sum of the amount obligated under this section against appropriations for development assistance and the amount obligated under this section against appropriations for assistance from the Development Fund for Africa may not exceed 30 percent of the total amount obligated under this section.

"(c) REIMBURSEMENT.—Amounts subsequently appropriated to carry out this chapter with respect to a disaster may be used to reimburse any appropriation account against which obligations were incurred under this section with respect to that disaster.

"CHAPTER 7—OTHER ECONOMIC ASSISTANCE PROGRAMS

"Subchapter A—American Schools and Hospitals

"SEC. 1701. AUTHORITY TO PROVIDE ASSISTANCE.

"In order to promote the four basic objectives set forth in section 1102, the President is authorized to furnish assistance to—

"(1) schools and libraries, outside the United States, that are founded or sponsored by United States citizens and serve as study and demonstration centers for ideas and practices of the United States, and

"(2) hospital centers for medical education and research, outside the United States, that are founded or sponsored by United States citizens.

"SEC. 1702. AUTHORIZATIONS OF APPROPRIATIONS.

"To carry out section 1701, there are authorized to be appropriated to the President $35,000,000 for fiscal year 1992 and $35,000,000 for fiscal year 1993.

"Subchapter B—Debt for Development

"SEC. 1721. DEBT EXCHANGE.

"(a) AUTHORITY.—In order to promote the four basic objectives set in section 1102, the President may use funds made available for development assistance, economic support assistance, or assistance from the Development Fund for Africa for grants to and contracts with nongovernmental organizations to enable those organizations to—

"(1) purchase debt obligations owed by a developing country to any commercial lending institution or other private party; and

"(2) cancel such debt obligation, subject to the approval of the President, to the extent that such country makes available assets or policy commitments to promote the four basic objectives set forth in section 1102.

"(b) INTEREST RETENTION.—A grantee or contractor (or any subgrantee or subcontractor) of the grants or contracts referred to in subsection (a) may retain, notwithstanding any other provision of law, without deposit in the Treasury of the United States and without further appropriation by Congress, interest earned on the proceeds of any resulting debt-for-development or debt-for-environment purchase or exchange pending the disbursement of such proceeds and interest for the purposes for which assistance was provided to such party, which may include the establishment of an endowment, the income of which is used for such purposes.

"CHAPTER 8—REIMBURSABLE PROGRAMS

"SEC. 1801. AUTHORITY TO CONDUCT REIMBURSABLE PROGRAMS.

"(a) GENERAL AUTHORITY.—Whenever the President considers it consistent with and within the limitations of this Act, any agency of the United States Government is authorized to furnish services and commodities on an advance-of-funds or reimbursement basis to friendly countries, international organizations, the American Red Cross, and private voluntary organizations registered with and approved by the administering agency.

"(b) PERSONAL SERVICE CONTRACTS.—When any agency of the United States Government provides services on an advance-of-funds or reimbursable basis under this section, such agency may contract with individuals for personal service abroad or in the United States to perform such services or to replace officers or employees of the United States Government in a manner otherwise permitted by law (or Office of Management and Budget Circular A-76 or any successor circular) who are assigned by the agency to provide such services. Such individuals shall not be regarded as employees of the United States Government for the purpose of any law administered by the Office of Personnel Management.

"(c) LIMITATIONS ON ASSISTANCE NOT APPLICABLE.—Limitations in this or any other Act on assistance do not apply with respect to this section.

"SEC. 1802. USE OF PAYMENTS.

"Advances and reimbursements received under section 1801 may be credited to the currently applicable appropriation, account, or fund of the agency concerned and shall be available until expended.

"CHAPTER 9—ADMINISTRATION OF ECONOMIC ASSISTANCE PROGRAMS

"Subchapter A—Operating Expenses

"SEC. 1901. AUTHORIZATIONS OF APPROPRIATIONS FOR OPERATING EXPENSES GENERALLY.

"There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

"(1) $483,300,000 for fiscal year 1992 and $483,300,000 for fiscal year 1993 for necessary operating expenses of the administering agency for this title; and

"(2) such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such agency.

"SEC. 1902. AUTHORIZATIONS OF APPROPRIATIONS FOR THE OPERATING EXPENSES OF THE INSPECTOR GENERAL.

"There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

"(1) $37,739,000 for fiscal year 1992 and $37,739,000 for fiscal year 1993 for necessary operating expenses of the Office of the Inspector General of the administering agency for this title; and

"(2) such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such office.

"SEC. 1903. ADDITIONAL FUNDS FOR OPERATING EXPENSES.

"(a) AUTHORITY TO USE PROGRAM FUNDS.—Amounts authorized to be appropriated for any fiscal year for development assistance, economic support assistance, or assistance from the Development Fund for Africa may be used to carry out section 1901 and section 1902.

"(b) ADDITIONAL FUNDS FOR THE INSPECTOR GENERAL.—The Administrator may make available to the Inspector General of the administering agency, upon the request of the Inspector General, funds made available pursuant to section 1901 or subsection (a) for payment of expenses described in paragraph (1) of section 1902.

"(c) LIMITATION.—The authorities of this section may not be used to increase the amount available for a fiscal year to carry out section 1901 or section 1902 by more than 5 percent of the amount appropriated to carry out that section for that fiscal year.

"Subchapter B—Evaluation

"SEC. 1921. EVALUATION AND ACCOUNTABILITY.

"(a) NEED FOR EVALUATION.—In order to effectively and responsibly manage the resources with which it is provided, the administering agency for this title must have a capacity to evaluate objectively the extent of its progress in achieving development results and to derive lessons from its development experience.

"(b) ACTIONS TO BE TAKEN.—In furtherance of subsection (a), the President shall establish a program performance evaluation capacity with the following functions:

"(1) To develop a program performance information system to afford agency managers a means for monitoring achievement of impact and interim performance of the agency's major programs.

"(2) To prepare and disseminate objective and periodic reports on the agency's progress in meeting stated development objectives for major assistance categories and recipient countries, regions, sectors, and policies.

"(3) To strengthen, through training and other means, the use of evaluation as a management tool, by both the agency and its counterparts in countries receiving assistance, in the planning, designing, and implementation of foreign assistance projects and programs.

"(4) To coordinate with the Inspector General of the agency so as to ensure appropriate complementarity of efforts, recognizing that—

"(A) it is the responsibility of the agency to direct a program of independent evaluation of its programs and policies, and the operational and management systems that affect the development impact of those programs and policies; and

"(B) it is the responsibility of the Inspector General to conduct regular and comprehensive assessments and audit of financial management and administrative systems, including the adequacy of the systems for monitoring and evaluating agency projects and programs.

"(c) ROLE OF EVALUATION.—In recognition of the importance of evaluation in determining, among other things, the extent to which programs are promoting the basic objectives set forth in section 1102, the President shall take such steps as the President deems appropriate to ensure that the administering agency is—

"(1) planning, implementing, and disseminating programmatic evaluations of the economic assistance programs under this title that are administered by the agency;

"(2) designing and managing technical assistance and support programs to enhance the integrity and quality of all project and program evaluation work done by such agency;

"(3) maintaining and making accessible the agency's data base on project and program experience, including both the historical record and measures of impact and performance;

"(4) coordinating information exchange on evaluation priorities, findings, and methods with other donor countries and organizations; and

"(5) ensuring the quality, objectivity, and independence of the evaluation by such measures as external review of findings, use of outside governmental and nongovernmental expertise, and other measures to protect against potential conflict of interest.

"(d) ACCOUNTABILITY.—The President shall prepare an annual report, which shall be submitted to the Congress as a separate part of the annual congressional presentation documents required by section 6301. This report shall include the following:

"(1) An assessment of progress toward the achievement of the four basic objectives set forth in section 1102, based on the findings of evaluation studies conducted by the administering agency and on such other empirical analyses as may be appropriate.

"(2) An analysis, on a country-by-country basis (with each country receiving economic assistance under this title or chapter 1 or 2 of title V being included at least once every 5 years), of the impact on economic development in each country during the preceding 3 to 5 fiscal years of United States economic assistance programs, with a discussion of the United States interests that were served by the assistance. For each such country, the analysis shall—

"(A) to the extent possible, be done on a sector-by-sector basis and identify trends within each sector;

"(B) identify any economic policy reforms that were promoted by the assistance;

"(C) describe, in quantified terms to the extent practicable, the specific objectives the United States sought to achieve in providing economic assistance and specify the extent to which those objectives were not achieved;

"(D) describe the amount and nature of economic assistance provided by other major donors during the preceding 3 to 5 fiscal years, set forth by the development sector to the extent possible;

"(E) discuss the commitment of the host government to addressing the country's needs in each development sector, including, to the extent possible, a description of the resources devoted by that government to each development sector during the preceding 3 to 5 fiscal years.

"Subchapter C—Cooperation with Nongovernmental Sector

"SEC. 1941. CENTER FOR UNIVERSITY COOPERATION IN DEVELOPMENT.

"(a) FINDINGS.—The Congress finds that—

"(1) United States public and private institutions of higher education can contribute significantly to enhancing the development of developing countries;

"(2) sustained participation of United States institutions of higher education in

the economic development programs of these countries and the building of indigenous university systems that support the educational, research, and service needs of their societies is vital to their achieving sustainable economic growth and open democratic political systems; and

"(3) at the same time, the participation of United States institutions of higher education in these international development efforts also supports the internationalization of those institutions by strengthening their faculty and the programs available to their students, and enhancing the quality and relevance of their research and extension efforts.

"(b) ESTABLISHMENT OF A CENTER.—The President shall maintain within the administering agency for this title a Center for University Cooperation in Development (hereinafter in this section referred to as the 'Center'). The Center shall seek to promote and strengthen mutually beneficial development cooperation and partnerships between such agency, United States institutions of higher education that are engaged in education, research, and public service programs relevant to the development needs of developing countries, and institutions of higher education, research, and extension in those developing countries. The Center shall—

"(1) develop basic policies, procedures, and criteria for education, research, and development programs involving United States institutions of higher education and developing country institutions;

"(2) encourage and support the development of collaborative programs that strengthen the capacity of United States institutions of higher education to undertake sustainable, long-term partnerships with institutions in developing countries and that also deepen the commitment of United States institutions of higher education to internationalization and development cooperation;

"(3) encourage and support the development of cooperative programs between United States institutions of higher education and the private sector that contribute to the sustainable development of developing countries;

"(4) undertake specialized programs that seek to bring the unique capabilities of historically black colleges and universities to bear on the development problems of developing countries and strengthen their capacity to enter into sustainable partnerships with institutions in developing countries;

"(5) facilitate access by developing countries and the administering agency to the resources of United States institutions of higher education and the participation of these institutions in the development programs of developing countries; and

"(6) undertake studies and analyses and specialized reviews necessary to the accomplishment of paragraphs (1) through (5).

"(c) SOURCE OF FUNDS.—To carry out this section, the President may make available such funds as he determines from funds authorized to be appropriated for development assistance and assistance from the Development Fund for Africa.

"SEC. 1942. CENTER FOR VOLUNTARY COOPERATION IN DEVELOPMENT.

"(a) ESTABLISHMENT.—The President shall maintain within the administering agency for this title a Center for Voluntary Cooperation in Development (hereinafter in this section referred to as the 'Center').

"(b) PURPOSE.—The purpose of the Center shall be to strengthen the partnership for development among the United States Government and United States private voluntary organizations, cooperatives, and credit unions that are engaged in activities that are relevant to the development needs of developing countries and to the attainment of the four basic objectives set forth in section 1102.

"(c) FUNCTIONS.—The Center shall—

"(1) participate in the development of policies, procedures, and criteria for all programs of the administering agency that involve private voluntary organizations, cooperatives, and credit unions;

"(2) under the general policy guidance of the Administrator, develop program policies, procedures, and funding criteria for support by the administering agency of worldwide activities of such entities; and

"(3) administer comprehensive grant programs in support of long-term, worldwide programs of such entities.

"(d) SOURCE OF FUNDS.—To carry out this section, the President may make available such funds as he determines from funds authorized to be appropriated for development assistance and assistance from the Development Fund for Africa.

"SEC. 1943. ADVISORY COMMITTEE ON VOLUNTARY COOPERATION IN DEVELOPMENT.

"The Administrator shall establish a permanent Advisory Committee on Voluntary Cooperation in Development, whose membership shall consist primarily of representatives from private voluntary organizations, cooperatives, and credit unions that have experience working in developing countries. The function of the Advisory Committee shall be to advise the Administrator regarding programs that the administering agency carries out with or through private voluntary organizations, cooperatives, and credit unions.".

The CHAIRMAN pro tempore. Are there any amendments to title I?

AMENDMENTS EN BLOC OFFERED BY MR. HALL OF OHIO

Mr. HALL of Ohio. Mr. Chairman, pursuant to the rule, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. HALL of Ohio: (1) Page 22, line 7, after "promoted" insert "through research and".

Page 22, line 17, before the semicolon, insert ", maintenance of soil structure and fertility, and minimization of soil erosion and soil and water contamination".

Page 22, after line 17, insert the following new clause (ii), and redesignated existing clauses (ii) through (viii) as clauses (iii) through (ix), respectively:

"(ii) adoption of appropriate use of fertilizer and pesticides;

(2) Page 40, line 14, strike out "AND" and after "DEFICIENCY" insert ", AND BASIC EDUCATION"; and page 41, after line 20, insert the following:

"(c) BASIC EDUCATION.—Of the aggregate amounts made available for development assistance under section 1202, assistance from the Development Fund for Africa, and economic support assistance, not less than $135,000,000 for fiscal year 1992 and not less than $175,000,000 for fiscal year 1993 shall be available only for programs in support of basic education, including early childhood education, primary education, teacher training, and other necessary activities in support of early childhood and primary education, and literacy training for adults.

(3) Page 41, after line 9, insert the following:

"(3) CHILD SURVIVAL ACTIVITIES.—Of the aggregate amounts made available for development assistance under section 1202, assistance from the Development Fund for Africa, and economic support assistance, not less than $275,000,000 for fiscal year 1992 and not less than $335,000,000 for fiscal year 1993 shall be available only for activities described in section 1201(d)(4), relating to child survival activities.

(4) Page 415, after line 16, insert the following:

"(4) A detailed description of United States contributions to the achievement of the goals and strategies enunciated in the World Declaration on the Survival, Protection and Development of Children; the Plan of Action for Implementing the World Declaration on the Survival, Protection and Development of Children; the World Declaration on Education for All; and the Framework for Action to Meet Basic Learning Needs; including a detailed description of the funding provided for child survival activities and for basic education under United States foreign assistance programs for the current fiscal year and the preceding fiscal year, as well as planned funding levels for at least the next 2 fiscal years.

(5) Page 510, line 10, after "709," insert "section 712,".

Page 718, strike out lines 18 and 19 and insert in lieu thereof the following:

SEC. 1106. FOOD AS A HUMAN RIGHT.

(a) FINDINGS.—The Congress finds that—

(1) the right to food remains an unfulfilled promise for hundreds of millions of people in many countries around the world; and

(2) an international convention on the right to food could be a useful tool in increasing international respect for the right to food, especially among governments and armed oppostion groups.

(b) THE RIGHT TO FOOD AND UNITED STATES FOREIGN POLICY.—

(1) IN GENERAL.—The United States shall, in accordance with its international obligations and in keeping with the longstanding humanitarian tradition of the United States, promote increased respect internationally for the rights to food and to medical care, including the protection of these rights with respect to civilians and noncombatants during times of armed conflict (such as through ensuring safe passage of relief supplies and access to impartial humanitarian relief organizations providing relief assistance).

(2) RESPONSIBILITIES OF THE ASSISTANT SECRETARY OF STATE FOR HUMAN RIGHTS AND HUMANITARIAN AFFAIRS.—The responsibilities of the Assistant Secretary of State for Human Rights and Humanitarian Affairs shall include promoting increased respect internationally for the rights to food and to medical care in accordance with paragraph (1).

(c) UNITED NATIONS CONVENTION ON THE RIGHT TO FOOD.—

(By unanimous consent, Mr. HALL of Ohio was allowed to proceed for 1 additional minute.)

The CHAIRMAN pro tempore. The gentleman from Ohio [Mr. HALL] is recognized for 6 minutes.

Mr. HALL of Ohio. Mr. Chairman, I would like first to commend the Foreign Affairs Committee for its work in producing an excellent piece of legislation. I am particularly appreciative of the outstanding leadership of the

chairman, the gentleman from Florida [Mr. FASCELL], and I have been honored to work with him on these amendments. I would also like to thank the gentleman from New York, a senior member both of the Foreign Affairs Committee and of the Hunger Committee, Mr. GILMAN, for his help in offering Hunger Committee amendments concerning the United Nations. These amendments have been accepted by the Foreign Affairs Committee and are already part of this bill.

I would also like to express my deep appreciation to my colleague from Missouri, Mr. EMERSON, the ranking minority member of the Hunger Committee, for his excellent work on the Hunger Committee and for his support for these important Hunger Committee amendments to the foreign aid bill. The gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New Jersey [Mr. SMITH], both members of the Foreign Affairs Committee and Select Committee on Hunger have also provided greatly valued leadership and support on key areas covered in these amendments.

These amendmentrs I now offer en bloc on behalf of the Hunger Committee draw on key provisions in H.R. 2258, the freedom from want omnibus antihunger legislation which I introduced with my colleague BILL EMERSON earlier this year. This bill takes its name from one of the "Four Freedoms" made famous by President Franklin Roosevelt 50 years ago.

I have five amendments grouped and offered en bloc. The first expands on language currently in the foreign aid bill on sustainable resource management by adding specific language relating to agriculture. The specific concepts include the importance of maintaining soil structure and fertility, minimizing soil erosion and contamination of soil and water, and adopting appropriate use of fertilizer and pesticides. It also calls for more research on these important areas.

Nothing we do in foreign assistance is more important, in my opinion, than the following two simple programs: saving children's lives through simple child survival activities like immunization, oral rehydration, breastfeeding, and other lifesaving actions for mother and child; and educating the children—after we help them survive—so they can acquire the basic skills they need to function in society, and helping illiterate adults to finally obtain the power which comes when they learn to read, write, and add.

My second amendment earmarks $275 million in fiscal year 1992 and $335 million in fiscal year 1993 for child survival activities. The third amendment earmarks $135 million in fiscal year 1992 and $175 million in fiscal year 1993 for basic education activities. I define basic education to include early childhood education, primary education, teacher training, and other activities to support early childhood and primary education, and literacy training of adults. This is the definition adopted by the world, including the United States, at last year's World Conference on Education for All.

Money for both of these areas can come from three different accounts: Development Assistance, the Development Fund for Africa, and Economic Support Assistance. These earmarks only require AID to spend 5 percent of its funds from these three accounts on children and 21 percent on basic education.

These simple tools are priceless in the modern world. Without them, people are condemned to poverty. With them, they have a chance to escape from poverty.

Unfortunately, without explicit congressional earmarking, these activities are not growing the way they should. AID regularly proposes to cut funding for children. For example, in 1989 AID spent more than $200 million on child survival activities. But in 1990, the total dropped by nearly 10 percent to only $185 million. I find this impossible to understand. We know these programs work—they save lives every day.

AID proposes to cut funding for children in Africa by 20 percent next year—from $50 million this year to about $40 million next year. The Foreign Affairs Committee, with the wise guidance of its chairman, Mr. FASCELL, and the chairman of the Africa Subcommittee, Mr. DYMALLY, has added $200 million specifically for development in Africa next year. I believe that some of this $200 million should be used by AID to increase—not decrease—the amount they will spend on keeping African children alive and healthy.

I would also like to add that in order to carry out these programs effectively, AID should hire additional staff as health and nutrition officers as well as education officers.

The fourth provision adds a requirement to the yearly AID congressional presentation that AID present a plan on child survival and basic education, including what AID has accomplished in the past 2 years, as well as their plans for the next 2 years. I attended the World Summit for Children held at the United Nations last year. It was the largest gathering of heads of state ever. President Bush came and endorsed the goals of the summit. But where is his plan for reducing childhood disease and death? My hope is that this amendment will finally push the administration to come to us with a credible, multiyear, forward looking plan. I believe the United States must take the lead in the global effort to end unnecessary child death and suffering. The President should send us a plan as part of next year's congressional presentation.

Finally, I have included a provision I am particularly excited about, which champions the right to food in U.S. law. This expands upon and complements the provisions already in the bill, offered by the gentleman from New York [Mr. GILMAN] on behalf of the Hunger Committee. The provisions already in the bill call on the United States to promote a U.N. Convention on the Right to Food and Humanitarian Assistance and to take the lead in developing a plan to strengthen the U.N. response to emergencies.

The new provision added in my final amendment rounds out the two already included by making it clear that promoting the right to food must be part of U.S. foreign policy. It calls on the United States to promote increased respect for the rights to food and to medical care. These provisions, taken together, have the potential to dramatically improve the protection of the right to food of people around the world. Unfortunately, too many governments are still all too willing to use food as a weapon. Recent events have produced ample evidence of the need for strengthening international law in these areas.

In total, my en bloc amendments will, if adopted, help lead to a world with healthier, better educated children, where more people live free from want. That is the kind of world I think I am here in the Congress to work for. I hope you agree with me and will support this amendment.

Mr. EMERSON. Mr. Chairman, I rise in support of the amendments en bloc offered by the distinguished gentleman from Ohio, the chairman of the Select Committee on Hunger, Mr. HALL, to advance the vital humanitarian initiatives contained in the amendments.

This amendment recognizes the basic right of all people to fundamental food and medical assistance, assistance that they need to live, especially in times of conflict.

The famine facing the people today in the Horn of Africa is but one reminder that access to food and basic medical supplies continues to be an instrument of policy for morally bankrupt governments and some rebel forces. Honoring the right of innocent people to adequate food and humanitarian assistance should be a priority of the international community.

Part of addressing the structure of an emerging new world order must include planning for the future by investing in the health and the education of the world's children. This amendment promotes crucial programs that have helped millions of children in the developing world make it beyond their fifth birthday and could save the lives of many more.

□ 1100

By addressing basic education, we give people the tools to become produc-

tive members of the world community. A vote for this amendment is a vote for survival, for basic nourishment, for health, for education, for children, and for life.

I urge the adoption of this amendment.

Mr. BERUTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Hall amendments.

Mr. Chairman, I rise in strong support of the amendment offered by the distinguished gentleman from Ohio [Mr. HALL]. I rise in that capacity as a member of the Select Committee on Hunger and as a member of the Committee on Foreign Affairs.

I commend the chairman, the ranking member of the Select Committee on Hunger, the distinguished gentleman from Missouri [Mr. EMERSON], and the many people who the chairman has already enumerated on that committee and elsewhere who have supported the chairman in crafting this legislation. The Hall amendment is widely supported among members of the Select Committee on Hunger, and I think appropriately so.

This legislation does give additional emphasis to the use of our fund for both basic education purposes and for child survival programs. In the past, we have seen U.S. AID programs for educational assistance move away from a reasonable balance or emphasis concentrated on basic education, programs for other education areas. It has been because of the suggestions, the recommendations, and the actions of the Select Committee on Hunger's members and some members of the Committee on Foreign Affairs that we have in the past several years moved back by direction to the executive branch to a more proper balance or emphasis on basic education.

I think, indeed, it is a fact that many of the improvements we have made in child survival programs are due to the exertion of the Congress in setting priorities, and if necessary, making appropriate earmarks. We in Congress can appropriately set priorities. That is a proper role for the legislative branch, and not to be directed by comments from the executive branch.

I think the gentleman's amendment is particularly important, too, in making a finding establishing food as a basic human right. It assigns related responsibility to the Secretary of State for human rights and humanitarian affairs, and requires a variety of reports about the U.S. Government's involvement, its energy, and its emphasis in pursuing a whole range of international efforts that are aimed at improving child survival. And through directions to the Assistant Secretary it attempts to promote increased respect internationally for mankind's rights to food and medical care in accordance with the findings set forth.

For those reasons and many others, I urge my colleagues, as strongly as I can, to give their support to the amendment offered by the distinguished gentleman from Ohio [Mr. HALL].

Mr. ESPY. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I thank my friend, the chairman of the Select Hunger Committee, for yielding and for his work on these important amendments to the foreign aid authorization bill.

This amendment is important because the world's children are in trouble. More than 20 percent of African children will die before age 5. In Asia, more than 16 percent of children will never live to see their fifth birthday.

Despite this, in recent years AID has cut funding for children in developing countries and the administration further proposes to cut funding for children in Africa by 20 percent next year, from $50 to $40 million.

The Hall amendment would require that AID earmark only 5 percent of its entire budget for child health and survival activities. That's $275 million in fiscal year 1992 and $355 million in fiscal year 1993.

The Hall amendment also addresses the problem of education. In many sub-Sharan African countries, in Asia, and in some countries in south Asia, fewer than 10 percent of primary school children finish school. Unless children in the developing world are educated, they will forever be doomed to underdevelopment.

The Hall amendment would require that AID earmark just 2½ percent of its budget for basic education activities.

This amendment does not require any new money. But it does require AID to earmark 7½ percent of its annual budget for these critical child survival, health, and basic education activities.

Mr. Chairman, the foreign aid bill we will pass today authorizes $12.3 billion in assistance. But none is more vital than that which we spend to provide health care, nutrition, and education for the children in the developing world.

I urge my colleagues to adopt this en bloc amendment.

Mr. PENNY. Mr. Chairman, I move to strike the requisite number of words. I urge my colleagues to support Representative TONY HALL's and the Hunger Committee's en bloc amendment to H.R. 2508, the International Development Cooperation Act.

Representative HALL, chairman of the House Select Committee on Hunger, is offering Members an excellent opportunity to support important changes to the foreign aid authorization bill that will assist our development efforts overseas. The amendment is based on the Freedom From Want Act that has the bipartisan cosponsorhip of more than 70 Members.

The Hunger Committee amendment will earmark additional funds for child survival activities around the world and for basic education programs in developing countries. By increasing our foreign aid emphasis on child survival and education, we give children in developing countries a better chance to live longer, more productive lives.

This amendment will require the Agency for International Development to spend about 5 percent of earmarked funds on child survival and 2½ percent on basic education. These activities give us the best return on our foreign aid investment by concentrating on the next generation of developing country citizens.

It is tragic to note that 14 million children die every year in the developing world. Child survival activities such as vaccinations, breastfeeding promotion, and oral rehydration therapy can drastically reduce that figure—UNICEF estimates that such an increase in child survival activities could cut the child death rate in half.

With respect to basic education in the developing world, in many countries fewer than 10 percent of all primary school-age children finish primary school. If more than 90 percent of the children are not learning basic reading, writing, and arithmetic skills, development does not stand a chance.

Finally, this amendment expands language on agricultural self-sufficiency to include renewable agriculture concepts. Almost every developing country's economy and people are highly dependent on agriculture. If the poorest countries of the world are to develop economically, they must first and foremost improve their agriculture and the capacity to feed their people.

As a representative of a farm State, I cannot over-emphasize the importance of sustainable agricultural systems. In this country we are increasing research and extension efforts to explore new, profitable, and sustainable farming practices. We must do all that we can to promote an agriculture in the developing world that maintains soil and water resources, minimizes soil erosion, and allows for the appropriate use of fertilizer and pesticides.

Vote "yes" on the Hall amendment and improve our foreign aid program.

Mr. UPTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to urge my colleagues to support Mr. HALL'S en bloc amendments to the foreign aid authorization bill, H.R. 2508.

First, I would like to commend Mr. HALL, chairman of the Select Committee on Hunger, and our ranking member, Congressman BILL EMERSON. Their leadership on this committee has helped to highlight how crucial it is

these amendments are included in the foreign aid authorization bill.

The provisions of the Hall amendments are taken from the international section of the Freedom From Want Act, which was introduced in the House by Congressman HALL. I am pleased to be a cosponsor of this bill, and I know that many of the Hunger Committee members and other House Members have also cosponsored it.

Briefly, the Hall en bloc amendments would promote child survival activities and basic education programs, and would require the Agency for International Development to submit to Congress an annual plan outlining how to achieve these goals. It would also add language regarding renewable agriculture and call for research in this area. Perhaps most crucially, it would establish that it is U.S. policy to promote the right to food and medical care as basic human rights, and include protection of these rights for civilians caught in times of armed conflict.

Hunger is a preventable tragedy. More than 40,000 children die each day from hunger and preventable diseases. The Hall en bloc amendments are an important step in reducing these tragic numbers and helping these people help themselves out of their impoverished living conditions.

I urge my colleagues to join me in supporting the Hall amendment.

Mr. FLAKE. Mr. Chairman, I move to strike the last word. I rise today in support of the Select Committee on Hunger en bloc amendment which contains key elements for the international section of the Freedom from Want Act.

□ 1110

As a member of the Select Committee, I have had the opportunity to investigate international needs as they relate to the extensive problems that are experienced in other parts of the world. It is especially crucial for us to try to address these concerns and give priority to the problem of hunger.

Despite the advances in combatting childhood mortality, the world's children are in constant states of despair. Almost 20 percent of African children will die before the age of 5, which represents about 53 percent of all deaths in Africa. When providing foreign aid, children should indeed be at the top of our priorities, because they represent the future.

Toward that end, these en bloc amendments earmark $275 million in fiscal year 1992 and $335 million in fiscal year 1993 for child survival activities. This money would provide lowcost, yet very effective assistance, such as immunication and oral rehydration therapy. The money would come from three different development and economic aid accounts, the development assistance, economic support assistance, and the development fund for Africa. This provision requires AID to spend only about 5 percent on children who will survive.

In addition, this amendment would earmark $135 million in fiscal year 1992 and $175 million in fiscal year 1993 for basic education activities. This requires AID to spend only about 2.5 percent on basic education in developing countries on areas such as early childhood education, primary education, teacher training, and other necessary activities in support of early childhood and primary education, and literacy training for adults. Sustainable development has little chance of success in many countries in sub-Saharan Africa, as well as in Haiti, and in some countries in south Asia where fewer than 10 percent of all primary school-age children finish primary school.

This bill also requires the Agency for International Development to submit to Congress an annual plan for child survival and basic education.

Finally, Mr. Chairman, there is no new money added by this amendment. I repeat, there is no new money added by this amendment. The amendment simply requires that from the amounts already authorized in the bill, AID spends 5 percent on children and 2.5 percent on basic education. When authorizing foreign aid, we must focus on the needs of the poor with specific and effective programs.

I commend the chairman, the gentleman from Ohio [Mr. HALL] and the ranking minority member, the gentleman from Missouri [Mr. EMERSON] for offering this innovative amendment, and I urge that all members of this body support it.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to rise in support of the Hall amendments en bloc, adding environmental policy language and earmarking substantial funding for education and child survival assistance and making certain, too, that we mandate the promotion of the right of access to food to U.S.-sponsored human rights initiatives.

This measure is long overdue. I want to commend the distinguished chairman of our Select Committee on Hunger, the gentleman from Ohio, [Mr. HALL], for bringing this measure to the floor at this time. Years ago, when I served on the Presidential Commission on Hunger, the findings of that Commission focused attention on the fact that the world has the ability to feed the entire population of this world, but what is needed is the intent and the will to do it. This measure goes a long way in providing funds that will make certain that the 15 million who die each and every year from lack of nutrition, lack of foodstuffs, are going to be supplied with the necessary sustainable kind of nutrition that they need, as well as to giving attention to the environmental problems and addressing the lack of education that exists throughout our developing world.

These amendments combat hunger and its immediate symptoms by expanding international food assistance programs and its root causes through innovative domestic antipoverty programs, and international human rights policy and U.N. reform.

These provisions are supported by organizations as diverse as Bread for the World, the U.S. Committee for UNICEF, the National Council for International Health, RESULTS, InterAction, World Vision, CARE, the International Eye Foundation, the U.S. Committee for Refugees, Save the Children, the Friends Committee on National Legislation, the National Association of State Universities and Land-Grant Colleges, Helen Keller International, and the Committee on Sustainable Agriculture.

Accordingly, I urge my colleagues to fully support this measure.

Ms. LONG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise as a member of the Select Committee on Hunger to support the gentleman's amendment. I believe that the amendment tightens the focus of the legislation and, in particular, strengthens the provisions of the bill encouraging self-sufficiency.

Foreign aid must assist other countries in achieving their own independent economic well being.

This amendment will not increase outlays but rather ensure that we are going to get the best results for our money and I urge my colleagues to support it.

Mr. GILCHREST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise this morning to support the Hall amendments and to praise the gentleman from Ohio [Mr. HALL] and the gentleman from Missouri [Mr. EMERSON] on the work they have done on this particular bill.

Prior to coming to this prestigious organization of the U.S. Congress, I had visited West Africa, Latin America, and Asia. I have seen the need for education. The need for nutrition is beyond belief to many who do not have that particular understanding here in the United States.

On a trip to Liberia, I found that 35 percent of the children under 5 died from malnutrition.

There were areas of West Africa where the average age was 27.

If there is anything we need coming out of this body, it is an understanding on how to solve the problems of the world, and one of those things is to support this amendment.

We need security for the children. We need food and education. If we are not to repeat the cycle of poverty and ignorance in the world, then we have to have some sense of how to solve that

problem, and if we are to solve that problem, it is for us to rise today in support of this amendment to carefully craft how we can send the funds to those areas where they are needed. They are needed to provide nutrition for those children who do not have nutrition. They are needed to provide education for an understanding of how to provide for themselves in the future.

We live in an area where farming is relatively easy and natural for the middle latitudes, but in much of the world where they live in a rainforest there is no topsoil. It takes skill, it takes technology, it takes initiative, it takes education to provide for those people the education so that they can provide for themselves.

Mr. Chairman, I rise in support of the Hall amendments. I praise the gentleman for this particular initiative. This is something we need to do.

I would like to make one other remark. On my visit to areas of the world such as Asia and Africa, malaria in these areas is as common as the common cold is in the United States. You couple that with malnutrition before the age of 5 and you have a very difficult situation to surmount; so is we can provide those carefully crafted funds, we will go a long way to provide for those people and for a better world for everyone.

Mr. FAZIO. Mr. Chairman, I rise in support of Mr. HALL's en bloc amendment—a practical approach toward ending world hunger.

Each day, 40,000 children under 5 years of age will die from malnutrition and disease because they do not have the basic rights to food and medical care. In the United States alone, between 18 to 20 million people go hungry for at least part of each month.

Yet, hunger is not necessary. We have the capability of producing enough food to feed us all. And Mr. HALL's amendment is based on this premise. It rightfully assumes that our environment, properly managed, can sustain us—that, if we take a forward-thinking, proactive approach to dealing with this problem, we will be able to feed ourselves.

Mr. HALL's amendment, made up of key elements from the international section of the Freedom From Want Act, does not necessitate spending any additional funds. Instead, it calls for a strategic application of our current resources in an effort to eliminate hunger and its causes. It incorporates the best elements of all practical antihunger, antipoverty strategies—proper resource management, basic education, and child survival activities.

This is an opportunity for us all to see some sustained results in the war against hunger. We can address both short- and long-term needs by taking a proactive approach to meeting this challenge. I urge my colleagues to support Mr. HALL's amendment as a realistic plan for guaranteeing this basic human right.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The question is on the amendments en bloc offered by the gentleman from Ohio [Mr. HALL].

The amendments en bloc were agreed to.

The CHAIRMAN pro tempore. Are there any other amendments to title 1?

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey: Page 42, strike out line 18 and all that follows through line 23 on page 43 (sections 1205 and 1206) and insert in lieu thereof the following:

"(d) RESTRICTIONS ON POPULATION ASSISTANCE.—Funds for development assistance, economic support assistance, or assistance from the Development Fund for Africa that are used for population planning activities may not be made available—

"(1) to any organization or program which (as determined by the President) supports, or participates in the management of, a program of coercive abortion or involuntary sterilization, or

"(2) to any foreign nongovernmental organization which performs or actively promotes abortion as a method of family planning."

The CHAIRMAN pro tempore. The Chair will ask, are these amendments printed in the RECORD?

Mr. SMITH of New Jersey. Yes, they are, Mr. Chairman.

(By unanimous consent, Mr. SMITH of New Jersey was allowed to proceed for 3 additional minutes.)

The CHAIRMAN pro tempore. The gentleman from New Jersey [Mr. SMITH] is recognized for 8 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, in floor debate on November 14, 1989, my good friend from Maine, OLYMPIA SNOWE said, "we all agree that China's policy of coerced abortions is both appalling and contemptible."

What Ms. SNOWE, Mrs. JOHNSON of Connecticut, President Bush, numerous China scholars, and I acknowledge as a "given," a fact, a matter that is beyond any reasonable doubt—namely the pervasiveness of forced abortion and forced sterilization in China—is a fact, however, the United Nations Population Fund says simple doesn't exist.

Faced with an extermination program that only a devotee of the Third Reich could love, the United Nations Population Fund continues to applaud the Chinese program, fund it, promote it, support it, comanage it, whitewash it, and grossly misrepresent it to the world.

Mr. Chairman, since China embarked on their brave new world of forcing only 1 child per couple in 1979, more than 120 million babies have been slaughtered by the State. Anthropologist Steven Mosher, the man who broke the story in the early 1980's after living with the rural Chinese, estimates that approximately 90 percent of those 120 million abortions were the result of coercion.

In his book published this year, "Slaughter of the Innocents: Coercive Birth Control in China," Dr. John Aird writes:

The Chinese program remains highly coercive, not because of local deviations from central policies but as a direct, inevitable, and intentional consequence of those policies.

In their exhaustive 1988 study on population trends in the People's Republic of China, China experts Judith Banister and Karen Hardee-Cleaveland of the United States Census Bureau conclude:

Today Chinese couples still are not given a choice about whether they practice family planning, how many children they have, when they have the allowed birth or births, whether or not to sign family planning contracts or what form of birth control they will use. It is forced on them.

Against this backdrop of UNFPA's complicity in coercion—comes the Kostmayer amendment earmarking funds for the UNFPA. Since the enactment of the Kemp-Kasten law in 1985, a policy which the language of the Kostmayer amendment circumvents, the administration has reviewed UNFPA's activities and the President has made an annual determination that UNFPA violated the statute and is guilty of supporting and comanaging a coercive population control program in China.

AID has made a determination that:

The kind of quality of assistance provided by UNFPA contributed significantly to China's ability to manage and implement a population program in which coercion was pervasive.

AID further states that,

The quality and substantial amount of UNFPA management assistance in China has a significant impact on the establishment and maintenance of an effective demographic information system and the ability to formulate [these] targets, monitor compliance and enforce China's one-child policy.

Mr. Chairman, argument will be made today that a mere bookkeeping exercise—an accounting trick—permits the United States to resume funding of the UNFPA provided they segregate the account so not United States funds go to China.

This approach embodied in the Kostmayer language is weak, flawed and belittles our deep concern regarding UNFPA's complicity in the coercive population control program in China. Money, moreover, is fungible. The UNFPA ought not be rewarded for its steadfast adherence to unethical behavior.

And, it seems to me, that if the UNFPA was supporting, comanaging and funding substantial technical assistance to a highly coercive population control program in another country—and that country happened to be the United States, not China—even Mr. KOSTMAYER might see this in a different light. If American women, not Chinese women, were being victimized by forced abortion, involuntary sterilizations, loss of pay and benefits for unauthorized births, the humiliation of many other forms of coercion, Mr.

KOSTMAYER's accounting trick would be seen as totally unacceptable.

Chinese women aren't second class citizens. What we wouldn't tolerate for American women and children shouldn't be tolerated or dealt with lightly because it's happening in a faraway place.

Finally, let me underscore here that every dollar withheld from UNFPA has been reprogrammed to other family planning projects around the globe.

For the RECORD, I will include the reprogramming list.

ORGANIZATIONS RECEIVING REPROGRAMMED UNFPA FUNDS, 1985–1991

Question. A.I.D. has reprogrammed funds set aside for UNFPA since 1985. To what organizations and projects has this money been given?

Answer. The following list shows the organizations that received reprogrammed UNFPA funds by year.

1985: AMOUNT REPROGRAMMED: $10,000,000

General Services Administration (Contraceptives).
Family of the Americas Foundation.
Columbia University.
International Federation for Family Life Promotion.
John Snow, Inc.
Management Sciences for Health.
Pathfinder Fund.
IPPF/Western Hemisphere Region.

1986: AMOUNT REPROGRAMMED: $25,000,000

Family Planning International Assistance.
Johns Hopkins University/Population Communication Services.
Population Reference Bureau.
Westinghouse Institute for Resource Development.
Ansell (Contraceptives).
The Futures Group.
Columbia University.
Population Council.
John Snow, Inc.
Georgetown University.
Johns Hopkins University/JHPIEGO.
IPPF/Western Hemisphere Region.
Management Sciences for Health.

1987: AMOUNT REPROGRAMMED: $25,390,000

University Research Corporation.
Family Health International.
Ronco Corporation.
Development Associates, Inc.
Johns Hopkins University/Population Communication Services.
John Hopkins University/JHPIEGO.
IPPF/Western Hemisphere Region.
The Futures Group.
Georgetown University.
John Snow, Inc.
Center for Development and Population Activities.
Johns Hopkins University/Population Information Program.

1988: AMOUNT REPROGRAMMED: $25,000,000

Ansell/Contraceptives.
Dual and Associates.
The Futures Group.
John Snow, Inc.
Center for Development and Population Activities.
Pathfinder Fund.
IPPF/Western Hemisphere Region.
Association for Voluntary Surgical Contraception.
Johns Hopkins University/JHPIEGO.
Johns Hopkins University/PCS.
Development Associates, Inc.
Ronco Corporation.
University of North Carolina/INTRAH.
Management Sciences for Health.
University Research Corporation.
Columbia University.
Population Council.
Family Health International.
East Virginia Medical School.
Georgetown University.
Westinghouse Institute for Resource Development.
U.S. Bureau of the Census.
Population Reference Bureau.

1989: AMOUNT REPROGRAMMED: $5,000,000

IPPF/Western Hemisphere Region.
Ansell/Contraceptives.
Family Health International.
Population Council.
University of Michigan.

1990: AMOUNT REPROGRAMMED: $11,213,000

Family Planning International Assistance.
Ansell/Contraceptives.
Center for Development and Population Activities.
The Futures Group.
IPPF/Western Hemisphere Region.
Johns Hopkins University.
Management Sciences for Health.

1991: (ANTICIPATED): AMOUNT TO BE REPROGRAMMED: $10,000,000

Population Council.
Georgetown University.
Family Health International.
East Virginia Medical School.
Dual and Associates.
IPPF/Western Hemisphere Region.
The Futures Group.
CARE.
John Snow, Inc.
Development Associates.
University of North Carolina/INTRAH.
Johns Hopkins University/JHPIEGO.
Johns Hopkins University/Population Communication Services.
American Association for the Advancement of Science.

Mr. Chairman, the second part of my amendment strikes language in the bill that reverses the Mexico City policy—a prochild, humane policy that effectively separates abortion from family planning in international population control programs. The Mexico City policy is both profamily planning and prolife. It precludes donations to NGO's that perform or actively promote abortion as a method of family planning. According to AID, the number of NGO's that have accepted the Mexico City policy has actually grown in the last year from about 300 to approximately 400. Even the number of Planned Parenthood affiliates have grown from 37 to 44.

Significantly, Mr. Chairman, the United States remains the leading donor of population aid, providing about 45 percent of all international family planning assistance in more than 100 countries, so to suggest that the United States has abrogated its leadership in family planning just doesn't wash. Since 1981, the United States has obligated over $2.6 billion for these programs.

Mr. Chairman, recent polls show that Americans overwhelmingly object to the promotion of abortion as a method of family planning. A March 1989 Boston Globe poll, for example, found that 89 percent of the American public rejected abortion as a means of birth control, and a Gallup poll taken in May 1990, found 88 percent disapproval.

Mr. Chairman, I believe Americans can be proud of the fact that while the U.S. Government provides substantial amounts of funds to family planning initiatives worldwide, we draw the line with regard to abortion and we do it in a way that is profoundly sensitive to and protective of the very small and extremely vulnerable unborn child.

It is precisely because children, like their mothers, are precious, deserving of respect, compassion and tangible assistance, that our government says no to funding abortion—directly or indirectly—and seeks instead to provide financing to family planning programs that are less likely to prove injurious to the child in the womb.

It should be clear, Mr. Chairman, as to why the Bush administration and on several occasions the House of Representatives, have insisted that abortion not be construed as a method of family planning. The reality is that abortion procedures destroy infants by ripping them apart or poisoning them.

In a common abortion method known as vacuum aspiration, a loop-shaped knife attached to a high powered suction machine rips and shreds the unsuspecting child to pieces. The body parts are then vacuumed into a bottle and they're disposed of. The power of the vacuum is said to be about 30 times that of a household vacuum cleaner.

In a D&D and D&E abortion, the child is dismembered, literally dismembered, by a surgeon's knife without even the benefit of anesthesia.

In saline abortions, Mr. Chairman, usually done in the second trimester, the unborn baby, has his or her life purposely snuffed out by an overdose of injected salt water. A baby terminated in this way dies a very slow, excruciating, and painful death. After the salt is injected by a hypodermic needle into the infants amniotic sac, the child breathes the fluid and gets sick. The salt burns the outer layer of the skin and gets into the blood stream and kills the vital organs of the child. A day or two later, the mother goes into labor and gives birth to a chemically burned baby whose appearance resembles a first degree burn victim.

This Mr. Chairman, is the horrific reality of abortion—dead babies. In each case, every abortion stops a beating heart.

I remain deeply saddened, Mr. Chairman, that some in the family planning community are so inextricably linked, so wed, so obsessed, with snuffing out the lives of developing babies that they refuse to divest themselves from abortion. Yet, it is also clear that the number of NGO's that choose to promote contraception—not abortion—is growing. As I indicated earlier, the number

of NGO's that have accepted the Mexico City policy has grown in the last year from about 300 to 400.

Mr. Chairman, the Mexico City policy effectively separates abortion from family planning, and I believe it should be preserved.

□ 1120

Mr. HYDE. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, the other day this House passed a resolution directed at saving whales and saving porpoises, and I was happy to support that. I think we need whales and porpoises; but I am more concerned about saving human lives.

I think a little Chinese fetus, which is an embryonic life, not a potential life but a life with potential, is at least as important as a whale, a snail darter, and all those endangered living organisms we want to save.

We are in very bad company when we associate ourselves with, and when we subsidize, the U.N. Fund for Population Assistance because the U.N. fund supports and helps manage the Chinese population policy which makes Tiananmen Square look like a picnic.

A Chinese policy of coerced sterilization and coerced abortion that works, I might add to you feminists, against women. God help you if you have a girl child.

At least Lawrence Tribe said that in his recent book, "Abortion, the Clash of Absolutes." Lawrence Tribe of Harvard said, "China's one-family, one-child and compulsory abortion policies greatly undermine the well-being of couples who bear a female child."

Let me tell you what this coercive policy in China does—and remember, in supporting the language in the bill and voting against Chris Smith's amendment, you are jumping in bed with an organization that supports and subsidizes and helps manage this coercive policy. Let me quote from the Washington Post of February 26, 1989, an article by Blake Kerr, "Witness to China's Shame."

> The villagers were informed that all women had to report to the tent for abortions or sterilizations or there would be grave consequences * * * The women who refused were taken by force, operated on, and no medical care was given. Women 9 months pregnant had their babies taken out * * * We saw many girls crying, heard their screams as they waited for their turn to go into the tent, and saw the growing pile of fetuses build outside the tent, which smelled horrible * * * Since 1987 there has been a tremendous increase in the number and frequency of the teams that move from town to town, and to nomad area * * *"

That is in the Washington Post of February 26, 1989.

There are many other quotations about the atrocities that were imposed on women who commit the crime of having more than one child. So this is something you either want to support or want to reject.

What we are proposing is not to diminish by one nickel the funds that are used for family planning but to recognize and emphasize family planning is contraception, not abortion. One procedure prevents the conceiving of a child; the other exterminates tiny little preborn life.

□ 1130

So, Mr. Chairman, I suggest that we not coerce millions of American taxpayers into supporting this kind of atrocity, into supporting the extermination of unborn children around the globe, and stay with the policy we have had. We supply 45 percent of the funds in the world for family planning. There are over 400 groups that do not require abortion as a part of their family planning. Abortion is killing. Contraception is preventing a life from coming into being.

So, Mr. Chairman, I urge my colleagues to rank human beings, whether they are from China, or Bangladesh, or anywhere, at least with snail darters, at least with baby harp seals, at least with burros, and protect them and their right to live. Do not force people to subsidize the killing of unborn children.

Mr. KOSTMAYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, at the appropriate time I will offer an amendment to the amendment offered by the gentleman from New Jersey [Mr. SMITH], my friend, which would restore UNFPA funding. The amendment that I will offer also requires the UNFPA to enforce a cap on the funds that the UNFPA provides to China. This will prevent U.S. funds given to the UNFPA from freeing up any additional UNFPA funding for China. That is something we do not want them to do.

I ought to say, Mr. Chairman, that the amendment of the gentleman from New Jersey [Mr. SMITH], in addition to limiting funds to China, which is something we concur with, would cutoff United States population funds to 140 countries in the world. This amendment would cut off voluntary family planning to 140 countries in the world, in the Third World, in Africa, Asia, and Latin America. This amendment would cutoff United States family planning assistance to Ethiopia. This amendment would drastically limit United States voluntary family planning assistance to India. This amendment would also vastly scale back United States voluntary family planning assistance to Bangladesh. In addition to cutting off those 140 countries, some of which would continue to get U.S. aid for population independently of the UNFPA, 50 of those countries, as a result of this amendment, would lose all of their voluntary family planning assistance from the United States.

Mr. Chairman, we are talking about an amendment which will hinder family planning clinics in Bangladesh. We want to provide to those women, the poorest women in the world, the opportunity to limit the number of children they will have on a voluntary basis. This amendment offered by the gentleman from New Jersey [Mr. SMITH] and supported by the author of the Hyde amendment, my friend from Illinois, would hinder those clinics, deny those women in those countries voluntary family planning assistance from our country.

Mr. Chairman, in Africa the growth rate for food production is 1 percent a year. The growth rate for population is 3 percent a year. That is why people are starving in Ethiopia, that is why people are starving in Bangladesh, because there are too many people and too little food.

This amendment would give the women of those countries and 140 other countries the opportunity which women in this country have, at least for a little while longer, to decide whether or not they want to have children.

Each year, Mr. Chairman, the world's population grows by 90 million people. Almost all of those people are born in Africa, Asia, and Latin America. That is another Mexico every year. This is one of the most troublesome and most fundamental problems which is affecting the planet today.

Now the administration says that the UNFPA is involved in coercive abortions. This is a study released by the Agency for International Development, which is part of the State Department, which is a part of this administration. It says, and I quote, "There is no evidence that UNFPA is essentially or actually promoting or supporting abortion in any country." This is a document from the U.S. State Department which contravenes directly what the gentleman from New Jersey [Mr. SMITH] and the gentleman from Illinois [Mr. HYDE], my friends, have said.

I urge in the strongest possible terms the committee to agree to the amendment which I will offer at an appropriate time to the amendment of the gentleman from New Jersey [Mr. SMITH] and to allow poor women around the world to choose how many children they will have. That should not be a decision made by the Congress of the United States.

Mr. ROHRABACHER. Mr. Chairman, I rise in support of the amendment of the gentleman from New Jersey [Mr. SMITH], and I yield to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman from California [Mr. ROHRABACHER] for yielding.

Mr. Chairman, we have just experienced a tremendous exercise in hyperbole. Let me make a few points.

First of all, Mr. Chairman, the 1985 AID memo referred to by the gentleman from Pennsylvania [Mr. KOSTMAYER] was a very cursory view, and it was based upon available evidence at the time, before the operative Kemp-Kasten language kicked in, after Congress said that it would no longer tolerate coercion, forced abortion, forced sterilization. The Agency for International Development took a very careful review of what was going on in China, and UNFPA has complicity in that, in providing the necessary means, the infrastructure, the computer capability, to more effectively prosecute that policy upon the victims, the women and the children in the People's Republic of China. AID in its determination said, since AID is being quoted by my friend:

> The kind and quality of assistance provided by UNFPA contributed significantly to China's ability to manage and implement a population program in which coercion was pervasive.

AID further states that the quality and substantial amount of UNFPA management assistance in China has a significant—not small—a significant, impact on the establishment and maintenance of an effective demographic information system and the ability to form those targets, those birth quotas, and to monitor compliance and to further enforce China's one-child-per-couple policy.

When we talk about Bangladesh, AID provides substantial family planning assistance to Bangladesh. As a matter of fact, it is the largest of all those programs that we underwrite and subsidize. It is the largest recipient of AID population funds, and AID is very proud of what it has done there and has provided, and I will make it a part of the RECORD, a very substantive fact-sheet concerning the kind of contraceptive preventative means of family planning methods that they have provided.

□ 1140

Let me also point out that we are in excess of 100 countries, 85 countries providing technical and project assistnce, throughout the developing world.

Mr. Chairman, finally let me just reiterate, we spend about $2.6 billion on family planning, and have done so since 1981. I think it should be very clear these are profamily planning amendments, but we also feel that they must be voluntary, without coercive abortion, without coercive sterilization.

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

Mr. ROHRABACHER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I just want to say, if I can capsulize the statement of the gentleman from Pennsylvania [Mr. KOSTMAYER], it is no family planning without abortion. And in Ethiopia, the civil war between the Eriteans, the Tigreans, and the communist government of Mengistu has nothing to do with the fact that those people are starving: and over in Japan, where the density, more people per square mile, is greater than Ethiopia, they have a high standard of living with a lot of people.

Mr. Chairman, the gentleman has certainly summarized his grasp of this problem marvelously well. His citation from AID is about seven years out of date. So the gentleman has made his usual great contribution to this discussion.

Mr. MOODY. Mr. Chairman, first, let me agree with much of what my friends from the Republican side, the gentleman from Illinois [Mr. HYDE] and the gentleman from New Jersey [Mr. SMITH], have said, but disagree with their conclusion. None of us are asking the American taxpayer to pay for abortion overseas. They would not do so with or without the Smith amendment. The committee bill before us would not spend one penny on abortion anywhere in the world. So that part of the debate has been a red herring. In fact, this is not an abortion bill at all.

Second, another red herring to be pointed out relates to China. There is not a single penny in this bill for China. No money in this bill goes to China for any purpose, for abortion, or for anything else. Not even for ordinary family planning. In fact, China is explicitly excluded from any funding whatsoever in this bill.

So those two arguments are fine, but have nothing to do with the amendment that is being offered by Mr. SMITH.

I spent a year in Bangladesh myself with the Peace Corps. When I went to Bangladesh in 1961, the population of that country was less than 50 million people. Today the population of Bangladesh is over 118 million, living in a Malthusian world of near starvation, forced to inhabit delta flats which are totally vulnerable to typhoons and other disturbances of nature that wipe out hundreds of thousands of people at a time because they are simply overpopulated.

Bangladeshi women typically have six or eight children, of which maybe four survive. The others die of malnutrition and other opportunistic diseases.

We are talking about preserving lives—preventing child death—in Bangladesh, about avoiding incalculable human suffering and death by letting people select their family size and space their children. They need to do this so they can take care of them, appropriately, as long as they have the means and the ability to do so. This is the goal of the committee's bill, and this is what we are attempting to defend when we ask for defeat of the Smith amendment.

To bring in China and abortion is a red herring, because there is no money here for China, and there is no money for abortion.

Now, what the amendment of the gentleman from New Jersey [Mr. SMITH] would actually do, would be to totally strike all U.S. funds for UNFPA and for its program in all countries other than China.

What is the problem with that? Mr. SMITH says that the United States is already assisting Bangladesh with AID funds. But there are many other countries in the world where there is no U.S. AID program, where there are no bilateral programs and where UNFPA is the only family planning program in being.

In Africa, for example, UNFPA serves 30 countries; AID only 11. There are 29 countries in Africa that will receive zero United States funds if the Smith amendment passes. That is not the way to go. That is not the way.

Here is my fundamental point: why would you want to punish 29 countries in Africa, and a number of countries in other regions, because you want to punish China? If you want to get at China, then I would suggest the appropriate place to get at China is the Most Favored Nation Treaty for trade when it is before us. If you want to get at China—appropriately—for its human rights abuses, then do it where it hurts, where they will feel it.

In this amendment, since there is already no money in the bill for China, you will be punishing Haiti, India, Benin, Cape Verde, Nigeria, and a whole host of other countries.

Consider this: if you pass this amendment, you will be letting the internal abuses in China, as bad as they are, to dictate American policy for 30 or 40 other countries. Why would we want to let policies inside China, as bad as they are, dictate what we do to help other countries? By voting for the Smith amendment you would be relinquishing your role to shape our policy for other countries and tying it to what goes on inside China.

Why would any thinking Member let China's internal policies dictate what we do vis-a-vis Nigeria, which is exactly what the Smith amendment does. Cutting off all U.S. money for UNFPA would mean that we are not going to assist those countries through UNFPA which the United States has historically done.

Mr. Chairman, I cannot figure out why anyone who cares about our country setting its own policy will let the Smith amendment dictate U.S. policy to 30-some other countries which is exactly what you are doing if you support the Smith amendment.

Mr. Chairman, I would suggest that Members support the committee bill as

it is. There will be plenty of time to get at China in appropriate ways which cause real impact. The Smith amendment would not do that. By hurting a whole series of other countries through the UNFPA as they attempt to carry out non-abortion-related programs and simply want to avoid child starvation, death, and suffering would certainly be cruel.

I urge that we defeat the Smith amendment.

Mrs. MEYERS of Kansas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if we support the Smith amendment, we strike all money for UNFPA and for Planned Parenthood, and for any other organization who does an abortion for any reason, even if the mother is in extremely bad health.

If we deny UNFPA, we take out funding for family planning through that organization for the entire world, because of what the gentleman from New Jersey [Mr. SMITH] claims China is doing.

The other part of the Smith amendment would reaffirm the international gag rule, which says that no organization can receive any money from the United States if they mention the word "abortion."

Mr. Chairman, I recognize that abortions can be performed to save the life of the mother. But if there is a serious health problem, if a woman in Bangladesh weighs 85 pounds, has five children, and has been breast feeding for 3 years because there is no other food for her children, Planned Parenthood or any other organization cannot suggest to her that termination of another pregnancy might be a sound medical idea, because they cannot mention the word abortion.

This country has got to begin to look at sheer numbers in the world. I am not one of those who think that people are a blight on the Earth. I think we should multiply and we should continue to try to make things as best we can for the people in this world. But we have simply got to begin to look at the numbers.

Mexico has a growth rate of 2 percent. This means that its population will double in 30 years. India has a growth rate of 2 percent. Bangladesh has a growth rate of 3 percent. Its population is going to double in 23 years.

If you take family planning money away from China, what you are doing is taking away family planning money from a country that currently has an enormous population problem, has a population of 1.1 billion people that they are desperately trying to deal with, and whose population will double to 2.2 billion people in less than 50 years.

The UNFPA and Planned Parenthood are probably the most effective groups in the world. Why is that? We continue to provide family planning money, $300 million of it, to other groups. We provide a great deal of money for family planning. But if you are in a health clinic in a remote area in a Third World country, and you have people dying on one side, and you have some family planning money, I am sure that you are going to help the people who are dying. I would do the same thing. Even AID recognizes that we cannot track all of our family planning money.

□ 1150

We should be giving our family planning assistance to those groups who only do family planning, whose only mission is family planning. It is extremely shortsighted of us to adopt the Smith amendment. If my colleagues think the fact that Mexico has a growth rate of 2 percent with a doubling of their population in 30 years is not going to have an impact on the United States, I beg to differ with them. I think it will have a major impact on the United States.

We simply must begin to be part of the solution and not part of the problem. I have come to the reluctant conclusion that nothing happens in this world, nothing, unless the United States takes a real leadership position in it. And we are not taking a leadership position here.

We have a wall in this country, and it has abortion written on it. And somehow we keep running into that wall no matter what we try to do. Family planning is a good thing to do. These are not abortion issues that we are dealing with today. They are family planning issues, and we should defeat the Smith amendment.

I believe that we will do that by having two amendments to his amendment, and I urge my colleagues to vote for both amendments to the Smith amendment, and allow family planning to go forward.

Mr. PAYNE of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for 25 years the United States has been calling upon poor countries of the world to reduce their population growth. These are the very countries that can least afford a doubling of their human numbers. A U.S. contribution to the U.N. population fund is extremely important.

It was the United States that worked diligently on behalf of creating this fund. Today it is clear that the global population crisis cannot be fought successfully with countries and organizations going their separate ways. There must be a coordinated concerted effort.

For this reason, I believe the responsible vote on this issue is on behalf of the United States resuming its support of the largest multilateral organization, providing family planning services for developing countries to the United Nations population fund.

The Secretary General of the United Nations recently reported in his 1990 report that the global population now standing at 5.3 billion increased by 250 million every single day, almost 1 billion in that span of 10 years will be the total growth. Well over 90 percent of that growth will occur in the poorest countries. There is thus an unmanaged increase in the number to be fed, clothed, and sheltered. This has overstrained the capacity of the developing countries to provide employment, housing, infrastructure, and related services.

Unless this trend is arrested, there will be social chaos in large parts of the world. Other severe negative impacts include the degradation of the environment in many places of the world, as population pressure increases, the Earth's capacity to endure.

It has been already mentioned that 17 out of 36 countries of the world will not receive any assistance, 17 out of 36 African countries, because they do not receive bilateral aid from the USA. By supporting the Smith amendment, we will certainly do a serious disservice to people around the world.

I would just simply like to say that I would hope that the interests of civil rights of people and women's rights of people in China would be the same thing, would be the same interests that we would see for civil rights and human rights in the United States, because maybe some of those persons who so strongly push women's rights and civil rights in China would vote in favor of the civil rights bill of 1991.

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

Mr. PAYNE of New Jersey. I yield to the gentleman from Michigan.

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

Mr. Chairman, I rise in opposition to the Smith amendment and want to associate myself with the remarks of the gentleman in the well [Mr. PAYNE]. It is important to emphasize that this vote has nothing to do with China. United States funds for population efforts by the United Nations that are included in this measure are specifically prohibited from going to the People's Republic of China.

Our votes today are to determine whether we support the United Nations' population assistance efforts that we so faithfully supported for so many years.

It is important to know that virtually all of the United States' best friends in the international community—including the United Kingdom, Canada, Germany, the Scandinavian countries, and Japan—are contributing to the United Nations Population Fund. In fact, since the United States cut off its contribution in 1986, these countries have all increased their con-

tributions to the U.N. Population Fund.

World population is growing by 95 million a year—by far the largest annual increment to this planet. The repercussions of that growth—in terms of environmental deterioration, unemployment, economic stagnation, malnutrition, and hunger—are absolutely devastating. The question is too important, the stakes too high for this matter to sink into ideological quicksand. A vote for supporting the U.N. Population Fund is a vote on behalf of implementing our concern regarding a very real problem. One that may well determine the quality of life on this planet in the years to come.

Mr. EMERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman I rise in support of my colleague, Mr. SMITH of New Jersey, and the amendment he offers today to strike the committee-approved language that would nullify the Mexico City policy and earmark funds for the U.N Population Fund [UNFPA], and I associate myself with the remarks of the gentleman from Illinois [Mr. HYDE].

During the 1970's and early 1980's foreign nongovernmental organizations were the major source of funding for a number of groups which promoted abortion and the legalization of abortion in developing countries. Adopted in 1984, the Mexico City policy substantially changed the U.S. position on funding such organizations by stipulating that the Agency for International Development [AID] will not fund any private organization which participates in performing or promoting abortion as a method of family planning. This policy does not alter the amount of money authorized to AID but rather reprograms this money to other organizations that are in accord with the Mexico City policy.

A year later, in 1985, the House approved the Kemp-Kasten amendment which denies funds to organizations that support coercive population programs. Funding is denied the UNFPA due to its active participation in China's population control program—its one-child-per-family program. In denying funds to the UNFPA the United States does not spend any less on foreign family planning but redirects appropriated funds to those programs that do not participate in coercive abortion.

Since adoptions of these two policies, positions have not changed radically. The International Planned Parenthood Federation [IPPF] and the Planned Parenthood Federation of America [PPFA] still refuse to adopt AID clauses. However, 44 IPPF affiliates have agreed to sign the Mexico City policy along with approximately 400 foreign family planning NGO's.

Are we here once again to debate the merits of the Mexico City policy? If so, let me remind you that the House has twice voted to affirm this policy.

Are we here to debate whether the UNFPA promotes abortion as a family planning method? If so, let me point out that despite evidence of coercion, the UNFPA heralds the China program as a model for other developing nations.

Are we here today to once again debate paying for abortion with U.S. dollars? If so, let me forewarn you—the President has assured the Congress he will veto any bill with language striking the intent of the Mexico City policy, and the Kemp-Kasten Act.

The real issue before us today is whether the House intends to reverse its current position of denying U.S. tax dollars to fund, however indirectly, any organization or program that promotes abortion.

If these unborn babies at risk were to be educated rather than terminated, they could teach humane methods of family planning for future generations to come, and future politicians will not have to belabor this sensitive issue as we have so often in the past and as we do again today.

U.S. tax dollars can better be invested in future generations rather than in determining future generations.

I strongly urge my colleagues on both sides of the aisle to stick to its current position by voting yes on the Smith amendment.

□ 1200

AMENDMENT OFFERED BY MR. KOSTMAYER TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. KOSTMAYER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. KOSTMAYER to the amendment offered by Mr. SMITH of New Jersey:

After line 12 of the amendment, add the following:

"SEC. 1205. FUNDING FOR THE UNITED NATIONS POPULATION FUND.

"Notwithstanding the foregoing, of the funds appropriated under section 1204(b), $20,000,000 or 16 percent of the amount appropriated (whichever is less) shall be available only for the United Nations Population Fund, subject to the following conditions:

"(1) The United Nations Population Fund shall be required to maintain these funds in a separate account and not commingle them with any other funds.

"(2) None of these funds shall be made available for programs for the People's Republic of China.

"(3) Any agreement entered into by the United States and the United Nations Population Fund to obligate these funds shall expressly state that the full amount granted by such agreement will be refunded to the United States if any United States funds are used for any family planning programs in the People's Republic of China or for abortions in any country.

"(4) Any agreement entered into by the United States and the United Nations Population Fund to obligate funds earmarked under this paragraph shall expressly state that the full amount granted by such agreement will be refunded to the United States if, during its five year program which commenced in 1990, the United Nations Population Fund provides more than fifty-seven million dollars for family planning programs in the People's Republic of China.

Mr. KOSTMAYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KOSTMAYER. Mr. Chairman, my amendment would seek to clarify the amendment offered by my friend, the gentleman from New Jersey [Mr. SMITH]. The amendment offered by the gentleman from New Jersey [Mr. SMITH] does two things. It strikes funding for UNFPA, and it restores the so-called Mexico City policy which has been struck in the committee print.

My amendment would clarify the debate by separating these issues, restoring funding to UNFPA but leaving alone those provisions regarding Mexico City which are currently contained in the amendment offered by the gentleman from New Jersey [Mr. SMITH].

My amendment furthermore would require UNFPA a cap on the total amount of funds which UNFPA could provide to China at the level of $10 million per year. The agreement between the U.N. Population Fund and the United States would require the UNFPA to return all U.S. funds if any additional funds have gone to China.

The amendment continues all of the restrictions on abortion which have been in current law for such a very long time.

I would say, finally, before yielding to the gentleman from California [Mr. BERMAN], that Members should be aware that the United States is not providing family planning assistance in 50 countries that are served by the UNFPA. If my amendment is not agreed to, and the amendment offered by the gentleman from New Jersey [Mr. SMITH] is agreed to, those 50 countries in the Third World would lose all voluntary family planning assistance.

Mr. Chairman, I yield to the gentleman from California [Mr. BERMAN].

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

Mr. Chairman, I rise only to seek and to propose that by unanimous consent this body accept, on the amendment now being offered, the Kostmayer amendment, a time limit of 40 minutes, 20 minutes to be controlled by the maker of the amendment, the gentleman from Pennsylvania [Mr. KOSTMAYER], and 20 minutes to be controlled by the gentleman from New Jersey [Mr. SMITH].

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. DORNAN of California. Mr. Chairman, reserving the right to object, may I inquire of the Chair and of my colleague, the gentleman from California, why are we limiting debate here? Why do you want us to cooperate with you?

Mr. BERMAN. Mr. Chairman, if the gentleman will yield to me under his reservation, it is because there is, as we have discussed with the gentleman from New Jersey and the gentleman from Illinois [Mr. HYDE], there are two separate amendments to the underlying Smith amendment. The time limit would be proposed for this amendment and then for a subsequent amendment focusing on the Mexico City policy.

We are under a rule that has an 8-hour time limit, and all amendments to be offered to this, and in just some effort, and not in any way diminishing the importance of this discussion, we think 20 minutes, 20 minutes, 40 minutes on this, 40 minutes on the next in the context of a totally hour debate is a quite reasonable allotment of time to this very important issue out of that total amount of time.

Mr. DORNAN of California. Mr. Chairman, at this time I must object until a few more 5-minute speeches have taken place and I go over some more of this horrendous material on China, and then I will go over and counsel with the other side and reconsider. But I do object at this point.

The CHAIRMAN pro tempore. Objection is heard.

Mr. KOSTMAYER. Mr. Chairman, is it my understanding that the unanimous-consent request was not agreed to?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. KOSTMAYER. Mr. Chairman, I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, the U.N. Population Fund [UNFPA] is the largest multilateral provider of population and voluntary family planning aid. UNFPA provided support to 138 developing countries in 1990. Since 1969, the Fund has provided a total of $2.2 billion in population assistance to virtually all developing countries and has been successful in providing these countries with contraceptive services and the ability to build their own family planning programs. This is critically essential if their development plans are ever going to be able to avoid being overwhelmed by dramatic population pressures.

Global population grows by 95 million people every year. Most of those are in the Third World. While these nations—the poorest of the poor—must respond to the immediate needs of such a growth of population, can any of us question why development is not proving more successful? To me the answer is clear.

I am sad and frustrated that we must once again debate whether or not UNFPA is deserving of U.S. support. There is a devastating lack of family planning services in countries served by UNFPA. The need is urgent and unquestionable.

A Worldwatch Institute study which was released yesterday contains sobering statistics and provides further arguments for boosting aid to UNFPA. The study found: That complications of pregnancy, childbirth, and unsafe abortion are the leading killers of women of reproductive age throughout the Third World. One million women die each year as a result of reproductive health problems; each year 250,000 women die from unsafe abortions; only 20 to 35 percent of women in Africa and Asia receive any kind of prenatal care; 250 million cases of sexually transmitted diseases are reported each year leading to increases in infertility, chronic pain, and deaths among women; and 500 million married women want contraceptives but cannot obtain them.

Most of what I have just described could be prevented. A mere $1.50 invested per woman per year would enable most nations to reduce maternal deaths by more than 60 percent. The provision we are considering today would earmark $20 million for the UNFPA or $1.50 for 1.3 million women this year. We have the opportunity to make a real impact on women's lives with these funds.

This debate attempts to direct our attention away from the real problems of international family planning, by those who wish to focus on China's forced abortion policy. That is irrelevant. The $20 million earmarked for UNFPA in this bill is strictly prohibited from going to China. You will hear rhetoric that UNFPA helps China promote a forced abortion policy, but that is patently untrue.

UNFPA has never promoted abortion or provided abortion services in China or anywhere else. UNFPA follows a human rights code which recognizes that all couples and individuals have the basic right to decide freely and responsibly the number and spacing of their children.

It is ironic that those who oppose abortion are calling for a reduction in funding for one of the most successful international family planning organizations in the world. The activities of this organization serve to reduce the likelihood of abortions. The current ban on funding to UNFPA is unfounded. It must be reversed.

I urge my colleagues to take an important step toward reducing the tragic realities of reproductive health in developing nations. Support the $20 million earmark for UNFPA. By doing so, you will be saving lives.

Mr. MCEWEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for most of the last decade the Kemp-Kasten anticoercion law and the Mexico City policy separating family planning services and abortion have established the parameters within which the U.S. family planning assistance has been extended to developing countries.

These important policies have two primary goals. First, they remove the United States from any possible support, either financial or otherwise, for the policy of coerced or forced abortions and sterilizations.

Second, they ensure that our foreign aid programs are consistent with the general Federal policy to separate abortion from family planning and contraception and to keep Federal funds from financing human abortions.

Mr. Chairman, I would like to take a moment to read a portion of a letter that the President recently sent to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL]. Its purpose, the President stated, was to make sure that there was no misunderstanding of the President's views or convictions regarding abortion, especially in light of efforts to change present Federal policy.

The letter states:

THE WHITE HOUSE,
Washington, June 4, 1991.

HON. ROBERT H. MICHEL,
Republican Leader, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MICHEL: Legislation is now being considered by several committees in both the House and Senate that would substantially change Federal policy with respect to abortion. Given the importance of this issue, I am writing to make sure there is no misunderstanding of my views or convictions.

I have not reached these decisions easily or lightly. Abortion is a difficult, deeply emotional and very personal decision for all Americans. It is made even more difficult when the underlying issue is whether the Government—and ultimately the American taxpayer—is asked to pay for abortions and under what circumstances. Since 1981, the Federal Government has determined that taxpayer funds should be used for abortion in only the most narrow of circumstances: where the life of the mother is endangered.

Current law also prohibits contributions made to international organizations that fund coercive abortion programs. The Department of Defense prohibits abortions at U.S. military facilities, unless the life or the mother is endangered. And, the Department of Health and Human Services has promulgated regulations that prohibit the use of Federal family planning funds for abortion related activities.

I believe all these policies should continue. I will veto any legislation that weakens current law or existing regulations.

Sincerely,

GEORGE BUSH.

The Smith amendments are absolutely necessary to ensure that the bill is not vetoed over this attempt to change Federal abortion policy.

The Kemp-Kasten law only prohibits funds from being provided to any organization which supports or participates in the management of a program of coercive abortion or involuntary sterilization. Remarkably, only one organization has been denied funds in the world, the U.N. Population Fund.

□ 1210

The organization has provided computer equipment to the Chinese, they have trained demographers and family planning workers. The quality and amount of UNFPA management assistance in China has a significant impact on the ability of the Chinese to maintain an effective demographic information system, and the ability to formulate targets, monitor compliance and enforce the Chinese one-child policy.

On top of direct assistance, this repulsive Chinese program is promoted by UNFPA around the world as effective and exemplary family planning.

The attempt to separate the proposed $20 million American contribution to UNFPA from other resources is nothing more than an accounting device that is a vain attempt to mask the fungibility issue. Any money for UNFPA contributes to their capability to assist the Chinese program.

The committee bill will also negate the standing Mexico City policy which requires the United States to maintain a wall of separation between family planning and abortion.

Members might be interested to know that over 400 foreign nongovernmental family planning organizations presently work with the Agency for International Development and comply with the Mexico City policy. This number has increased from around 300 in the past year.

With the Mexico City policy in place, AID is the largest family planning donor in the world. It has activities in 85 countries, and provides about 45 percent of the total donor assistance for population programs.

Only two family planning organizations have refused to comply with the Mexico City policy, the International Planned Parenthood Federation and the Planned Parenthood Federation of America. They are the only groups that insist there be no distinction between family planning through contraceptive services and promoting abortion as a family planning method.

The administration has clearly stated its intention to veto a bill which attempts to weaken the policy and tear down the wall of separation between programs that offer contraceptive services and those promoting abortion. It is irresponsible to doom this bill to a veto that will be upheld by including these controversial provisions.

Support the Smith amendments on the Kemp-Kasten law and the Mexico City policy.

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

Mr. MCEWEN. I am happy to yield to the gentleman from Wisconsin.

Mr. MOODY. This is not about abortion. That is what most of the debate is about, but that is not what the bill is about or what the money is about.

There is no money in this bill for abortion. There is no money in this bill for Chinese action for any purpose, family planning or whatever.

What this amendment, if it passes, would do is deny families through UNFPA.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The time of the gentleman from Ohio [Mr. MCEWEN] has expired.

Mr. KOSTMAYER. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio [Mr. MCEWEN] have 1 additional minute.

Mr. FEIGHAN. Mr. Chairman, reserving the right to object, we adopted a policy not to allow any extensions.

Mr. MCEWEN. How about 15 seconds?

Mr. FEIGHAN. Mr. Chairman, reserving the right to object, I must continue the objection.

The CHAIRMAN pro tempore. Objection is heard.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. SCHEUER. I yield 30 seconds to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, I just want to correct one statement that my friend from Ohio made. That is, that this would free up money for the UNFPA to give more money to China. My amendment has a cap on it, so that China could not receive any more than $10 million. If it did, the UNFPA would have to return all the money the United States had provided.

I hope the RECORD will show the correction that has been made.

Mr. SCHEUER. Mr. Chairman, I rise in support of the Kostmayer amendment and to oppose the Smith amendment.

I led a congressional delegation to the Mexico City U.N. Population Conference in 1984. The gentlewoman from Colorado [Mrs. SCHROEDER], the gentleman form Wisconsin [Mr. MOODY], the gentleman from Michigan [Mr. LEVIN], and the gentleman from Illinois [Mr. PORTER] all accompanied me. We were both shocked and horrified at the enunciation of the Mexico City doctrine, and we took the unusually painful step of holding a press conference there, proclaiming to the world our adamant opposition to this policy and our conviction that it did not represent the will of the American people. It was embarrassing then, my colleagues, and it is embarrassing now.

This whole debate should not be about abortion. We are not funding abortion abroad. The UNFPA does not fund abortion anywhere. The UNFPA has certified time and time again that they are not funding abortion, rather they are funding family planning. This is a respected professional in the U.N. agency, and yet the administration treats their statements and assurances with indisguised contempt.

As far as the effect of the Smith amendment on our own family planning institutons, it is total. We have denied funding to the two major planning institutions in the world; yes, to the Planned Parenthood Federation in this country and to the International Planned Parenthood Federation in London. Why? Because if any one of the 130 very loosely associated affiliates of International Planned Parenthood Federation in London were to engage in supporting abortion counseling and abortion activities with their own funds, privately raised, or with their own government's funds in the 80 countries where abortion is legal, then, not only would that affiliate be proscribed from receiving AID funds, but also the parent organization, IPPF, in London and all of the other 129 affiliates would also be proscribed from receiving U.S. AID funding.

This is the state of our family planning activities abroad. We deny aid to the United Nations, and we deny aid to the most prestigious and responsible and professional family planning institutions in the world.

What is the result? Since 1984 the number of unwanted pregnancies has risen, and, as a consequence, the number of legal and illegal abortions has also risen. The population of the developing world countries has increased 25 to 30 percent. In Kenya and in Jordan, the population has increased 50 percent. My colleagues, as a result of this virtually unabated population explosion in the Third World—with young parents wholly unable to achieve their family size goals due to the pervasive absence of family planning services—the world is awash in tragedy, pain, sorrow, and human suffering of unbelievable proportions. We simply cannot house, feed, provide basic health care, or educate the human product of this uncontrolled population growth.

My colleagues, across the length and breadth of sub-Saharan Africa, due to their total inadequate family planning programs, there is an average population increase annually of about 3 to 3½ percent. In a few countries like Jordan and Kenya, it is 4 percent or more. Now, at the same time, they have an increase in food production of about 1-percent annually. It does not take a nuclear scientist to figure out the difference between the 1-percent increase in food production and the 3- to 3½-percent population increase. The difference is a minimum 2 percent per capita annual cumulative deficit in food availability for every man, woman

and child in sub-Saharan Africa. That, over a period of a decade, will result in a 20-percent loss in per capita food availability. This fact is contributing to those awful, painful, tragic pictures that we see on our television. These images are only a precursor of a level of tragedy and human suffering threatening us in years to come that is utterly indescribable.

It is time for the United States to reverse this embarrassing policy of 1984 and follow an enlightened course that will resume funding and leadership for safe and sensible family programs in Third World countries where they are desperately needed. For the sake of families around the world, let us resume our role as the world leader in international family planning by reversing the Mexico City policy.

The lady from Kansas, JAN MEYERS, was right on the mark in her remarks a few minutes ago. If the United States does not give leadership to build up the strength, effectiveness, and acceptability around the world, of family planning, no other country can or will. We abandoned our leadership in 1984. No country has filled the vacuum. The globe needs enlightened leadership—and between $1 and $2 billion—to be addressed to galloping population growth in the Third World. Our failure to provide this leadership is a global tragedy and a national shame.

Mrs. VUCANOVICH. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the Smith amendment. I want to associate myself with the strong statement that the gentleman from Missouri [Mr. EMERSON] made.

Mr. Chairman, I rise today in opposition to language in H.R. 2508 that would reverse two extremely important pro-life policies—the Kemp-Kasten anticoercion law and the Mexico City policy. This bill would overturn the Mexico City policy by requiring the Federal Government to provide family planning assistance to organizations regardless of methods they employ. It also earmarks $20 million in funding for the U.N. population fund [UNFPA], which organization is an active participant in, and enthusiastic supporter of, China's coercive population-control program. Mr. Chairman, the Kemp-Kasten anticoercion law in effect since 1985 specifically prohibits the provision of international population control funds to any organization or program which supports or participates in the management of a program of coercive abortion or involuntary sterilization. The Mexico City policy, in effect since 1984 and recently upheld by the Supreme Court, states that no U.S. Agency for International Development [AID] funds will be provided to a foreign nongovernment organization that "performs or actively promotes abortion as a method of family planning." The UNFPA continues to violate both of these policies by participating in China's population control program. I think it is important to note that every dollar withdrawn from the UNFPA in the past has been reprogrammed to other family-planning projects that do not utilize abortion as a method of family planning. I urge my colleagues to strike the language in the bill which would overturn the Kemp-Kasten anticoercion law and the Mexico City policy and would earmark $20 million for the UNFPA.

□ 1220

Mr. VOLKMER. Mr. Chairman, will the gentlewoman yield?

Mrs. VUCANOVICH. I am very happy to yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I wish to join with the gentlewoman in her remarks and in her sentiments.

I, too, rise in opposition to the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER] and in strong support of the amendment of the gentleman from New Jersey [Mr. SMITH].

I, for one, do not feel that the American people would like to see their taxpayer dollars going to pay for abortions, not only here in the United States, but elsewhere in the world. Therefore, it is necessary to preserve the present Mexico City policy and also the policy we have had in the past as far as funding for the U.N. Family Planning Commission, which supports abortions in China.

So I wish to join with the gentlewoman.

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman from Missouri, and I yield back the balance of my time.

Mr. ATKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Kostmayer amendment.

One thing ought to be very clear here, that China does have a coercive policy on abortion. The Chinese policy has been one that has violated very basic human rights. The conditions, the coercion, the problems that have occurred in that program are clearly the worst in the world and we ought to address them.

Indeed, the Kostmayer amendment allows us to address the problems in the China program. The Kostmayer amendment would effectively put a cap on the U.N. contribution. There would be not a cent of U.S. money in it. It would effectively put a cap on the U.N. contribution to China of $10 million.

So if you are interested in dealing with the problem of coercive abortions in China, one would want to support the Kostmayer amendment.

What the Smith amendment does is it seeks to punish 139 other countries in the world for the sins of China, for the sins of the Chinese program.

Are the Chinese going to care about the problems and the misery that they create in India or in Bangladesh or in Haiti? Of course not. They have made it very clear that they care nothing about human rights. Human rights violations in China do not just extend to their coercive abortions and their family planning programs. They extend to what they are doing in Tibet, what they did to their own students, what they have done to dissent, the way they have destroyed their judicial system and perverted it.

If you want to deal with human rights abuses in China, let us deal with it by going after China, not going after the United Nations, and let us go after China in the real way where it will make a difference, where everybody knows that China will feel it and where we have a chance of exercising some leverage, and that is in their MFN status.

It is absolutely absurd that the President on the one hand says no money to the United Nations, to punish China even though the United Nations provides the only alternative and the only voice in the Human Rights Commission against the coercive policies in China, but will deny China in this area which is strictly symbolic and has no effect; and on the other hand will grant them the MFN status they so desperately want.

China has a $15 billion trade surplus with us. If you want to begin to deal with the problem in China, take on MFN.

I will be glad to join with the gentleman from New Jersey in putting a provision on MFN which would restrict that if China does not change their coercive abortion policies. That would make a difference. That would send a signal to China.

What the Smith amendment does is a very cruel hoax on the people. It would deny 19 nations of Africa, the most desperately poor nations of Africa, family planning assistance, and would deny it to Bangladesh, to India, to countries that desperately need this assistance, to get China's attention.

It would not get China's attention, not one bit.

Let us be real in this amendment. Let us deal with the problem and support the Kostmayer amendment which will effectively put a cap on the UNFPA program in China, will assert our ability to assure that that program remains as it is now, one that does not allow for abortions and one that provides the only alternative in China to the coercive abortion program.

Let us use our leverage. Let us use it wisely.

The Smith amendment would be the cheap way out. It would hurt Africa, do nothing to China, do nothing to China's coercive abortion program.

We have a chance to use our leverage in MFN. Let us use it there. Let us not try to punish Africa for the sins of China.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Kostmayer amendment to the Smith amendment, to protect the family planning provisions of H.R. 2508, which restore U.S. funding to the U.N. population fund [UNFPA]. UNFPA is the largest multilateral family planning assistance provider to developing countries, and was established in 1969 with strong backing from the United States. In 1990, UNFPA provided assistance to 138 countries, with donations from 106 countries. Major donors include Japan, Germany, The Netherlands, Norway, Sweden, Finland, Denmark, Canada, the United Kingdom, Switzerland, and Italy.

Once the leading donor to UNFPA, the United States curtailed its contributions in 1986 because of allegations of UNFPA support for coerced abortion and involuntary sterilization in China's family planning program. This action came despite the fact that UNFPA has consistently opposed coercive policies, and has explicitly stated this view in all program documents, indicating that all UNFPA projects must be consistent with internationally and nationally recognized human rights, and "that all couples and individuals have the basic right to decide freely and responsibly the number and spacing of their children and to have the information, education and means to do so."

In addition, the Agency for International Development staff review of UNFPA concluded that it neither funds abortions nor supports coercive family planning through its operations.

In fact, almost all of UNFPA assistance to China is administered by other United Nations organizations and by international nongovernmental organizations, such as the World Health Organization and UNICEF. UNFPA does not manage the Chinese Government's population program. Assistance from UNFPA totals less than 1.1 percent of the total cost of the China Program, and UNFPA has control only over its own funds which are earmarked for specific purposes, such as providing better quality contraceptives, and extending maternal and child health and family planning assistance to the poorest counties where infant mortality rates are the highest. These activities have resulted in fewer unwanted pregnancies, thereby resulting in fewer abortions.

Further, H.R. 2508 prohibits the use of United States population funds in China. Because the UNFPA Program in China has fixed funding for 4 years, the argument that United States funding will free up more UNFPA funds for China is also without merit.

Just several weeks ago, a coalition of major environmental, conservation, family planning, scientific, and women's organizations launched one of the largest cooperative efforts ever undertaken to raise public awareness of the devastating effects of overpopulation. This effort grew out of the recognition that the environmental and social consequences of overpopulation are not being adequately addressed.

The world's population now exceeds 5.4 billion people. More than half of this number will be of reproductive age within the next 25 years. As a result, what we do in this decade will determine the population growth for the next century * * * whether it is held at 10 billion or whether it explodes to more than 14 billion. Population control is contingent on the availability of voluntary family planning assistance. Such a commitment is needed in order to curtail global poverty, illiteracy, environmental degradation, unemployment, and civil unrest.

The world fertility survey indicates that 500 million women want and need family planning, but lack either education, information, or the means to obtain it. Many of the 42,000 infants who die daily are victims because their mothers are not allowing appropriate intervals between pregnancies. Every day 1,500 women die from complications of pregnancy and abortion, many of which could have been prevented by family planning.

It is imperative that the United States once again become a full and active partner with the United Nations in the vital efforts to assure couples of the basic human right to determine how many children they will have and when they will have them. As a cosigner of the Amsterdam declaration, the plan for stabilizing world population by the year 2000, the United States made the commitment to dedicate approximately 4 percent of its foreign aid to population assistance; we currently provide only 2.2 percent. The $70 million increase provided in this bill will help to move us toward this goal.

I urge all of my colleagues who are concerned about the quality of life of future generations to vote to retain the family planning provisions of H.R. 2508. It is a vote that will go a long way toward determining the condition of the world that our children and grandchildren will inherit from us.

□ 1230

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Ms. SLAUGHTER of New York. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER of New York. Mr. Chairman, I thank the gentleman for yielding.

And I want to be very succinct here today. This Congress sometimes reminds me of "Alice in Wonderland," able to believe 16 impossible things before breakfast.

We can believe, some of us, that a bill that outlaws quotas is a quota bill and a bill that says money may not go to China, indeed is going there.

I want to be very specific about one major concern that I have here because we pass over it. The World Watch Institute issued a report that said 1 million women die every year in the developing world because of reproductive complications. That is 1 million. Two hundreds and fifty thousand of those women die because of botched abortions or self-induced abortions. All they are looking for is information on how to space their families and to plan their lives. That is such a harsh and cruel method of birth control to say that the Congress of the United States and the administration does not care that 1 million women die every year during their child-bearing years when information that we could give them for $1.50 a year could probably save their lives.

We cared deeply when the people of Kuwait were in trouble; it broke our hearts to see the Kurdish children dying on the wayside; every year or two it seems to me we see the people in Bangladesh standing up to their necks in water. All of these people desperately, in Third World and evolving countries, are trying to get some control over their lives. We know that we will never solve the problems of world hunger if we do not give some kind of control over their lives and family planning information.

It seems to me to be humane, it seems to me to be decent.

We have watched what happened with repeated forced pregnancies in Romania and pathetic Romanian children left to suffer; we watch people with disease in Peru, again women sitting by bedsides while their children die and unable to feed them, unable to clothe them. No hope in the world of an education.

The money that we do not spend on family planning is not going to educate those millions of children born in the world who have no hope at all of any sort of life except the one that their parents had before them—hunger and poverty.

I challenge every person in this Congress and every person in this administration who has not been pregnant to give a little thought to what they are doing here and ask yourselves what you would have wanted for your wife and for your daughter or someone else in your family who died because information so cheap and so easy to come by was denied to them.

Mr. Chairman, I urge support for the Kostmayer amendment.

Mr. WEISS. I thank the gentlewoman for her statement.

Mr. Chairman, I rise in support of the Kostmayer amendment, in opposition to the Smith of New Jersey amendment.

Mr. WEISS. Mr. Chairman, I want to address briefly, very briefly, the statement—the letter really—that the gentleman from Ohio [Mr. MCEWEN] read from the President which suggested that unless something equivalent to the Smith amendment were passed, that this legislation would be vetoed.

Well, I must say how do you define hypocrisy? How do you take note of the fact that when our President was a Member of this body, he carried all the family planning legislation and all of a sudden he is vetoing a piece of legislation which is a red-herring in its very terms; no money for abortion, nothing for China. And yet that is the way in which it is being cast.

How do you explain the hypocrisy implicit in a President and people who are so concerned about the violation of human rights, which this amendment is supposed to cure, but which does not, but when it comes to most-favored-nation treatment, then everything—the murder of students, the trumped-up trials, the abuse of their own citizens, every imaginable violation of freedom of speech, freedom of assembly, you name it, every violation takes place in China—and the President thinks that is OK, he is willing to forgive that.

Mr. Chairman, I urge support of the Kostmayer amendment.

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are tragically speaking past one another here. Our side quotes a respected scientist who talks about violent, murderous, coercive abortion, the genocide of an entire people in the nation of Tibet under the control of China. On the other side, they are pointing to the decline in population, the drastic decline in population, in Western Europe and Japan. You see documentaries on television every night talking about the growth of population in poor countries and suggesting that there is a way to get money to an organization like the United Nations family planning activities group by keeping a deaf ear to that group's leaders continuous approval of the infanticidal policies that go on in China and spill over terribly into India. In that country, objective documentary reports by liberal reporters of conscience are pointing out that India is now adopting the Chinese policy of killing babies—living, breathing babies with human rights who have already been born.

That is called killing infants—infanticide. And in India they are rivaling China's centuries-old policy of degrading women by killing female babies. In India, if they come up with an amniocentesis test that says it is a female child, she is doomed.

I quote from a liberal reporter of great reputation, Mark Fineman, in the Los Angeles Times article, "Creating a Mosaic of India." He was writing about their census.

He says, "It is simply that women in India continue to rank among the world's most endangered species, dying off in increasingly faster numbers than Indian men as a result of neglect, murder, and in the past decade, rampant fetacide." That is abortion, killing babies in the womb. In India today there are only 929 women for every 1,000 men. In America it is 1,050 women to every 1,000 men, which is more than the world standard. And he says India now has the second-lowest ratio of women to men in the world, of course behind China, a nation infamous for widespread female infanticide.

Well, why do we talk about China and India and killing babies and killing female fetuses in the womb? Because the head of the U.N. population family planning activities group says that China's policy is totally voluntary.

□ 1240

Mr. Chairman, I may do a special order on this tonight because I have about 25 quotes here, all from the Washington Post, Los Angeles Times, New York Times, not from religious fundamentalist groups. These are all out of the supposedly objective, secular press.

Now listen to this. This is Blake Kerr in the Washington Post, "Witness to China's Shame."

> The villagers were informed that all women had to report to the tent for abortions or sterilizations or there would be grave consequences * * *. The women who refused were taken by force, operated on, and no medical care was given. Women nine months pregnant had their babies taken out * * *. We saw many girls crying, heard their screams as they waited for their turn to go into the tent, and saw the growing pile of fetuses build outside the tent, which smelled horrible * * *. Since 1987, there has been a tremendous increase in the number and frequency of the teams that move from town to town, and to nomad area.

The UNFPA says all of that nightmarish slaughter is voluntary.

Mr. Chairman, no one has worked harder on this than the gentleman from New Jersey [Mr. SMITH]. That is why I rise against the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER] which guts and destroys the Smith amendment.

Mr. Chairman, the gentleman from New Jersey [Mr. SMITH] personally met with Peng Peiyun, head of China's Family Planning Commission in Beijing on March 27, 1991, and Dr. Nafis Sadik, executive director of the U.N. population fund in New York. I am dismayed by the sameness of their argument. To hear one is to hear the other. The bottom line is that both the Chinese Government and the U.N. population fund declare that the program is "totally voluntary" which, of course, is a lie.

I ask my colleagues to consider this: On May 24, 1989, Dr. Sadik of the UNFPA said, "The UNFPA firmly believes and so does the Government of the People's Republic of China, that their program is a totally voluntary program."

A few months later, Dr. Sadik said it again on the November 22, 1989, broadcast of the CBS Nighwatch television program: "The implementation of the policy [in China] and the acceptance of the policy is purely voluntary."

It is clear, based on these kinds of statements and the millions of dollars they've invested in the Chinese Program that the UNFPA has been, and continues to be, the leading international supporter and apologist for China's brutal program.

Mr. BERMAN. Mr. Chairman, will the gentelman yieled?

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr DORNAN] has expired.

(On request of Mr. BERMAN and by unanimous consent, Mr. DORNAN of California was allowed to proceed for 30 additional seconds.)

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

Mr. DORNAN of California. I yield to the gentleman from California.

Mr. BERMAN. Mr. Chairman, I thank the gentleman from California [Mr. DORNAN] for yielding, and I would like to use this time to propose that by unanimous consent this House agree to limit debate on the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER] to the amendment of the gentleman from New Jersey [Mr. SMITH] to 30 minutes, 15 minutes of which would be controlled by the maker of the amendment, the gentleman from Pennsylvania [Mr. KOSTMAYER], and 15 minutes to be controlled by the gentleman from New Jersey [Mr. SMITH].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. DORNAN of California. Mr. Chairman, I objected before, but I would not object any further, and I do not think anybody on our side will.

Mr. MOODY. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Does the gentleman from Wisconsin [Mr. MOODY] continue his objection?

Mr. MOODY. Mr. Chairman, I withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania [Mr.

KOSTMAYER] will be recognized for 15 minutes, and the gentleman from New Jersey [Mr. SMITH] will be recognized for 15 minutes.

Mr. KOSTMAYER. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman and my colleagues, this body often deals in symbols, but this has got to be the most substance-free symbolic debate I think I have ever heard.

Why do I say that?

Because both sides agree on practically everything that has been said in terms of what facts are. But the symbols are different. The abortion debate has been raging here, but we are not really voting on abortion today. The amendment of the gentleman from New Jersey [Mr. SMITH] will not affect abortions, and neither will the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER]. Nor will it affect any U.S. funding for abortion overseas, because there is not any, and there will not be.

Let me make clear where we all agree, both sides. Both sides agree on the following:

No. 1. China has a bad human rights policy. We both agree. This side has argued as though China's bad human rights policies undercut the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER]. I, you, Mr. KOSTMAYER, and everyone knows that China has a bad human rights policy. We should do something about it, and I welcome the gentleman from New Jersey [Mr. SMITH] siding with us to stop most-favored-nation trade access to China when it comes because that would indeed make a difference. This Smith amendment will not.

No. 2. The next thing we all agree on is this: No United States funds in this bill will go to China, with or without the Smith amendment. We all agree on that, and yet one would think from the floor debate that is what is at stake. United States family planning aid funds do not go to China. If the committee mark stands, they will not go to China. If the amendment of the gentleman from New Jersey [Mr. SMITH] stands, they will not go to China.

No. 3. No U.S. AID funds go for abortion. We all agree on that, and that has been the policy for a long time. One would think that we are debating whether or not AID funds should go for abortion. They do not, and they will not, with or without the Smith amendment. That is also totally agreed. The debate so far from the side supporting the Smith policy has had nothing to do with the actual contents of the Smith amendment.

No. 4. We all agree that $10 million and only $10 million of UNFPA money, not—not United States money—does go to China. That is less than 1 percent of their population program and pays for computers, demography, the training of population workers that come mostly to America to get training. That $10 million of UNFPA does not go for abortion in China. One can argue that because those expenditures are in the same country, it might have some impact on abortion, but that is stretching the argument.

But we all agree there is a cap of $10 million of UNFPA money for China, none of it United States. The amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER] would cap it, and I think that is probably a good idea to signal our feeling about it. But "Why would you want to vote against such a cap by voting against the Kostmayer amendment?"

No. 5. We also agree that the UNFPA's $10 million from China will neither go up, nor down, regardless of the Smith amendment.

So we agree on all the key facts. Then what are we actually debating on? We are debating on whether or not we want to punish a whole bunch of other countries so that we can register our outrage over human rights, including abortion policies, in China. The $10 million figure would not change. There are already no United States funds for China, nor for abortion.

So the real question comes down to this: "Do you want to pretend to punish China, to beat your breast and say we've done something that looks like we're hurting China." Actually, the Chinese will be totally indifferent to the Chris Smith amendment, the Smith amendment will only punish a whole bunch of other countries by totally defunding United States support for UNFPA. The Smith amendment says that no United States AID money will go for family planning in a whole series of countries other than China where there are only multilateral programs and no United States AID bilateral programs. There are 19 such countries in Africa alone.

So, let us get back to substance, not symbols, and discuss what is really going on here. I ask: "Do you want to punish 30-some countries and not hurt China? If you do, then vote for the Smith amendment. If you want to punish China, nothing before us will do that.

I urge adoption and support for the amendment of the gentleman from Pennsylvania [Mr. KOSTMAYER] and rejection of the amendment of the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Chairman, I thank the gentleman from New Jersey [Mr. SMITH] for yielding.

My colleagues, I rise in support of the amendment of the gentleman from New Jersey [Mr. SMITH] and in opposition to the amendment by the gentleman from Pennsylvania [Mr. KOSTMAYER].

As I have listened to the debate, and I have been able to be present for most of the debate, I want to say, first of all, there is an issue here of genuine substance, and it is simply this: Shall the dollars of the American taxpayer be directed toward family planning agencies and through family planning agencies that utilize abortion as a means of population control? The issue is not population control writ large. The issue is not family planning writ large. On that we are agreed.

I must say that when the gentlewomen from Kansas [Mrs. MEYERS] said that the United States has to show leadership on the family planning issue, I wondered how much more leadership she wants. We pay 46 percent of all the family planning assistance funds around the globe. The American taxpayer, 46 percent. This bill increases the American outlay the next year by 20 percent. We will be over 50 percent of all the family planning assistance given to developing countries around the world at the American taxpayers' expense.

Now I call that leadership. That is not ducking the importance of the population issue. That is not a head in the sand that says there is not a serious problem that has to be addressed. What the gentleman from New Jersey [Mr. SMITH] is trying to do, and some of us are trying to do, is to say we can do this without resorting to a proabortion policy and calling that family planning.

I heard the gentleman from Pennsylvania [Mr. KOSTMAYER] when he dealt with the issue in Ethiopia, and he attributed the tragedy in Ethiopia to the unavailability of abortion.

□ 1250

I served a year in Ethiopia with the Peace Corps and saw lots of poverty. But I certainly would not attribute it to the abortion issue. In fact, it got worse since I left.

Maybe the gentleman might have focused on Colonel Mengistu's celebration of his 10-year anniverary in power, where, for his 1-week celebration, he spent 20 percent of the entire GNP of the country, to celebrate his 10-year anniversary in power. Twenty percent of the GNP of the country, in what we are told is the second to the bottom of all nations in the world in terms of per capita GNP. Maybe that has something to do with poverty.

When the gentleman from Wisconsin [Mr. MOODY] talked about Bangladesh, we put $46 million a year in family planning assistance into Bangladesh, and it has had some success. The population growth rate has dropped by about 20 percent. It is still perilously high. It was 3 percent in the last 4 or 5 years, and has dropped to about 2½ percent.

The CHAIRMAN pro tempore (Mr. DONNELLY). The time of the gentleman

from Michigan [Mr. HENRY] has expired.

(By unanimous consent, Mr. HENRY was allowed to proceed for 1 additional minute.)

Mr. HENRY. Mr. Chairman, what I want to make clear is that the issue is not family planning. The issue is not American leadership. The issue is placing our funds in agencies and programs which advocate and use abortion as a family planning tool. There is a better path to follow, and that better path is the kind of leadership I would like this Nation to take.

Mrs. MEYERS of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HENRY. I yield to the gentlewoman from Kansas.

Mrs. MEYERS of Kansas. Mr. Chairman, I think the misunderstanding comes when one tries to interpret the word "promote," to promote abortion as a means of family planning. The Reagan and Bush administrations have interpreted this as being an abortion for any reason, except to save the life of the mother.

Mr. HENRY. Mr. Chairman, reclaiming my time, the amendment of the gentleman from New Jersey [Mr. SMITH] clearly addresses and puts a prohibition on those organizations which encourage abortion. I call that promoting.

Mr. KOSTMAYER. Mr. Chairman, I yield 4½ minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding and for his leadrship on this issue.

Mr. Chairman, what the gentleman from Pennsylvania [Mr. KOSTMAYER] is proposing is that we do in fact address one of the most pressing problems in the world today, family planning. That is all he is doing. Under the Kostmayer amendment, no U.S. money can be used for abortion, only for family planning. Under the amendment of the gentleman, no money can go to China—I underscore that—no money can go to China. And all of the speeches from the other side of the aisle this morning that detail the terrible human rights abuses in China, are in fact understood. And none of these moneys can go to China.

So none of these moneys can go for abortion, and none of these moneys can go to China. We are talking about family planning. What is the argument?

Mr. Chairman, we need to flesh out what is the argument. I say the argument is a smoke screen, that they do not want to debate the issue of family planning, because they know that they would lose, and they do not want to debate the issue of birth control, because they know that they would lose. So they debate a phantom issue, a ghost issue, the issue of abortion, the issue of China. This has nothing to do with what we are talking about.

Mr. Chairman, I would like to read to Members comments made by President George Bush in 1973, in a foreword to a book on the world population crisis. This is what George Bush said in 1973:

Few issues in the world have undergone such a rapid shift in public attitudes and government policies over the last decade as the problems of population growth and fertility control.

My own first awareness of birth control as a public policy issue came with a jolt in 1950 when my father was running for the United States Senate in Connecuticut. Drew Pearson, on the Sunday before Election Day, "revealed" that my father was involved with Planned Parenthood. My father lost that election by a few hundred out of close to a million votes. Many political observers felt a sufficient number of voters were swayed by his alleged contacts with the birth controllers to cost him the election. The subject was taboo—not only because of religious opposition but because at that time a lot of people were unwilling to discuss in public what they considered a private matter.

Today, the population problem is no longer a private matter. In a world of nearly 4 billion people increasing by 2 percent, or 80 million more, every year, population growth and how to restrain it are public concerns that command the attention of national and international leaders. The per capita income gap between the developed and the developing countries is increasing, in large part the result of higher birth rates in the poorer countries.

World Population Crisis: The United States Response recounts and analyzes the events which mobilized the United States leaders to action. Dr. Piotrow presents a story of determined and sometimes disruptive advocates, of conscientious, careful scientists, of political leaders striving to reach a new consensus, of vigorous officials building action programs. It is, above all, a story of individuals and institutions struggling to solve a new kind of worldwide problem within the framework of individual choice and responsible government.

The population problem does not have easy answers. As a member of the U.S. House of Representatives in the late 1960s, I remember very well how disturbed and perplexed my colleagues and I were by this issue. Famine in India, unwanted babies in the United States, poverty that seemed to form an unbreakable chain for millions of people—how should we tackle these problems? I served on the House Ways and Means Committee. As we amended and updated the Social Security Act in 1967 I was impressed by the sensible approach of Alan Guttmacher the obstetrician who served as president of Planned Parenthood. It was ridiculous, he told the committee, to blame mothers on welfare for having too many children when the clinics and hospitals they used were absolutely prohibited from saying a word about birth control. So we took the lead in Congress in providing money and urging—in fact, even requiring—that in the United States family planning services be available for every woman, not just the private patient with her own gynecologist.

I remember another bill before the Ways and Means Committee. This one successfully repealed the prohibition against mailing information about birth control devices or sending the devices themselves through the mails. Until 1970 the mailing of this information had been heaped in with the mailing of "pornographic" material.

As chairman of the special Republican Task Force on Population and Earth Resources. I was impressed by the arguments of William H. Draper, Jr. that economic development overseas would be a miserable failure unless the developing countries had the knowledge and supplies their families needed to control fertility. Congress constantly pressed the rather nervous federal agencies to get on with the job. General Draper continues to lead through his tireless work for the UN Population Fund.

Congressional interest and support in population problems was remarkably bipartisan—including Jim Scheuer, Ernest Gruening, Bob Taft, Bill Fulbright, Joe Tydings, Bob Packwood, Alan Cranston, and many others from both parties and every section of the country. Presidents Johnson and Nixon both were seriously concerned about the problem, too. In fact, early in 1969 President Nixon delivered an official Message on Population to Congress. In the federal agencies there were at first only a few determined individuals like R. T. Ravenholt in AID and Philander P. Claxton, Jr. in the State Department who were willing to urge their superiors ahead. Now the recommendations of the Commission on Population Growth and the American Future, chaired by John D. Rockefeller 3rd, have urged many agencies to take on a larger role and have called for the U.S. government to adopt a national population policy.

When I moved to the United Nations in 1971 as United States Ambassador, I found that the population problem was high on the international agenda, though lacking some of the urgency the matter deserves. The General Assembly had designated 1974 as World Population Year with a major conference of governments scheduled. The UN Fund for Population Activities, which has raised some $50 million, now stands ready to help agencies and governments develop appropriate programs. It is quite clear that one of the major challenges of the 1970s, the Second United Nations Development Decade, will be to curb the world's fertility.

The United Nations population program, including the Fund and specialized agencies, stands today at the threshold of international impact. The problem has been recognized; the organizations exist; the resources are at hand. But policy making on the international level no less than on the national one is an educational process. In developing the programs needed, the public as well as government leaders learn from one another. New technologies lead to new policies and laws, new public and private values, new insights into our own problems as well as those of others. We all proceed by trial and error. Will we learn fast enough from one another and with one another how to defuse the population bomb?

One fact is clear: in a world of nearly 4 billion people, with some 150 independent governments, myriad races, religions, tribes and other organizations, major world problems like population and environmental protection will have to be handled by large and complex organizations representing many nations and many different points of view. How well we and the rest of the world can make the policies and programs of the United Nations responsive to the needs of the people will be the test of success in the population field. Success in the population field, under United Nations leadership, may, in turn, determine whether we can resolve successfully the other great questions of peace, prosperity, and individual rights that face the world.

Dr. Piotrow's study of evolving population policy, in the United States and in the United Nations, is necessarily a story without an ending, it is not a blueprint for the future, but rather a search for the meaning of the past, an exploration of the means, the arguments, the individuals and the events which did, in fact, influence U.S. policy making over the last decade and a half. But the lessons suggested here—about leadership, about innovation, about national and international organizations—surely have continuing application for the future. Dr. Piotrow was in a unique position to observe and even participate in many of the actions taken.

I worked with Phyllis Piotrwo on some of these issues. This book is far too modest about her own efforts, for she has contributed significantly herself to public understanding and support of population activities through her work with the Population Crisis Committee. Certainly the private organizations, like the Population Crisis Committee, Planned Parenthood—national and international, the Population Council, the Population Reference Bureau, the Population Institute, Zero Population Growth, and others, have played a major role in assisting government policy makers and in mobilizing the United States response to the world population challenge that is described in this volume.

Mr. Chairman, this is George Bush in 1973 talking about the importance of birth control, of family planning, of giving information to women who need it. And, Mr. Chairman, this is America, in 1991. We must surely be leaders in 1991.

Mr. Chairman, I agree with the gentlewoman from Kansas [Mrs. MEYERS] on this. We must be leaders in the area of family planning, because that indeed will impact on the major problems facing the undeveloped world.

So this issue that is before us is not what the gentleman from New Jersey [Mr. SMITH] describes it as, about China. We all agree on his points about China. It is about what is happening in the world today to the women of India, Bangladesh, and Pakistan, to the women of Ethiopia who have to watch their children dying. There is no water, there is no food. They are dying.

Do you know what it is to look at your child when he is sick when you are a mother? I can tell you. You wish you could take the child's pain. These women can do nothing to help their children. How much better to have family planning. Family planning is the answer.

Mr. Chairman, let us not take this debate into an area which it has nothing to do with. Let us concentrate it on the approach of the gentleman from Pennsylvania [Mr. KOSTMAYER], which is to use these funds, not for abortion, not for China, but to help the women and children of this world to stop the grief and pain.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, first of all let me remind Members that every dollar that has not gone to UNFPA has been reprogrammed to other family planning organizations, so there has been no loss of family planning funds.

Mr. Chairman, I would like to ask a question of the gentlewoman from California [Mrs. BOXER]. As the gentlewoman knows, since 1979 the United Nations Population Fund has provided in excess of $100 million to China. If they were funding a highly coercive population control program in another country, and that country happened to be the United States, and not China, and if American women were the victims of forced abortion and forced sterilization and other means of humiliation and coercion, would the gentlewoman feel that an earmark for that organization was warranted?

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentlewoman from California.

Mrs. BOXER. Mr. Chairman, I am against forced abortion. I am pro choice. That means a woman has the right to choose in the first 3 months of her pregnancy. The Kostmayer amendment that is before us basically says that no money will be used for abortion.

Mr. SMITH of New Jersey. Mr. Chairman, reclaiming my time, we are talking about supporting an organization whose executive director says that the Chinese program is totally voluntary. The UNFPA has provided in excess of $100 million to this coercive population control program. They have provided technical and other capabilities to the Chinese so they can do it better. They then stand arm in arm with the Chinese suggesting, and saying outright, that it is a voluntary program, against all of the evidence which we all agree, the gentleman from Massachusetts [Mr. ATKINS], the gentleman from Pennsylvania [Mr. KOSTMAYER], the gentlewoman from California [Mrs. BOXER], all of us agree that it is a coercive program. However, the UNFPA claims it is a voluntary program.

I would ask the gentlewoman from California [Mrs. BOXER], if she would take out "China" and insert "the United States," would you then feel that a simple earmark, a simple apparent fencing of the funds, when an organization has such a hand-in-hand relationship with the government, if it was the United States, would the gentlewoman believe that this earmarking approach, which I happen to feel is a fraud, would be permitted in that case? Take out "China" and put in "the United States."

Mrs. BOXER. Mr. Chairman, if the gentleman will yield further, the gentleman from Pennsylvania [Mr. KOSTMAYER] addresses this issue head on in his amendment, addresses it correctly, and the gentleman from New Jersey [Mr. SMITH] is using this issue to divert attention from the issue that is before us, the suffering of many women and children in this world because they do not have access to family planning. Mr. Chairman, I think the gentleman is doing an absolute disservice to this debate.

Mr. SMITH of New Jersey. Mr. Chairman, I would ask the gentlewoman from California [Mrs. BOXER], is it all right that the United Nations is supporting the program in China?

Mrs. BOXER. Mr. Chairman, I would say what I said to the gentleman before: the gentleman from Pennsylvania [Mr. KOSTMAYER] handles the problem straight on. The fact is, the gentleman from New Jersey [Mr. SMITH] is diverting attention from the issue that is before us, which is family planning, to save the grief, to save the children, to save the mothers. I am very sad that the gentleman has taken this approach. We just do not agree.

□ 1300

Mr. SMITH of New Jersey. With all due respect, that was an extremely evasive answer. The gentlewoman did not answer whether or not if the United States, and not China, had a family planning program, that were coercive, and the UNFPA were involved, would this earmarking scheme then be acceptable?

Mrs. BOXER. We are talking about American tax dollars here. None of our tax dollars can go to New Jersey and none of our tax dollars can be used for abortion.

Mr. SMITH of New Jersey. What is becoming very clear is that Chinese women are second-class citizens. The UNFPA can stand shoulder to shoulder with the oppressive hardliners in Beijing. They can stand shoulder to shoulder with them and say this is a voluntary program which is an absolute lie. And then, we come forward with this fencing modality, with this Kostmayer amendment which guts current policy, and say it is okay.

I would suggest to my colleague and the gentlewoman who could not answer the question, that if this were the United States and not China which was experiencing this coercive population control program, this amendment would be laughed right out of the chamber.

Mr. KOSTMAYER. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I want to commend the gentleman from New Jersey [Mr. SMITH] because I think as never before he has drafted language that makes it crystal clear what he is attempting to accomplish here. I once believed that the policy the gentleman was espousing was anti-China. I believe the policy is now very clearly anti-family-planning and anti-U.N.

The language states very clearly that no funds can go to the poor women of Africa, if they are getting funds through the UNFPA for family planning. It states that no funds can go to

women of Asia for maternal and child health. It says that no United States funds can be expended by the UNFPA in Central and South America for contraceptives because of what China does.

The people of Africa, the people of Asia, the people of Central and South America and elsewhere in the world are going to pay the price for what China does. They are the ones that are going to pay for China's policy.

Nobody has a case to make for China. China is doing terrible things. But 137 other nations have their family planning programs that are not coercive, do not encourage abortion. Those nations, those are the ones that are going to be paying. AID has programs in about 40 of those nations, so that the poor people of 100 nations, the women and children across this world who have nothing to do with China, who are not coercing anybody, they are the ones that the gentleman's policy is going to make pay.

UNFPA is not a government. UNFPA is not able to say that China cannot participate in their family planning programs. They in fact must fund them. They must fund all U.N. nations.

Finally, Mr. Chairman, the policy that the gentleman has worked on for the last 6 years has done nothing whatsoever to change what happens to China, but it has done a great deal of damage to family planning all across this globe.

It is a bankrupt policy that is not working. It is a tack that should no longer be pursued. It has become a policy that is not anti-China. It is anti-family planning and anti-U.N. and does not work.

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

Mr. HYDE. Mr. Chairman, before the gentleman from Illinois leaves, I would like to say that it is my understanding that the $350 million which we spend, this country spends for contraception around the world, can be spent anywhere in the world where programs exist that do not perform or actively promote abortion.

Now, the United Nations spends its millions in countries, too. Fine. How in the world is our refusal to subsidize an agency that helps manage and control a coerced abortion, coerced sterilization, despotic program, how does our refusal to jump into bed with them deny family planning to women in Africa? The United Nations can still operate its programs.

We are not indispensable to the U.N. operation, and we give to over 400 private organizations that understand the basic distinction that family planning is not abortion. Why the romance with killing unborn children? Why must we support and subsidize organizations that think that killing an unborn child is merely retroactive contraception? Why this love with death?

There are enough organizations in the world that will do family planning as it ought to be done through contraception; the prevention of conception, we do not have to support through the back door or otherwise organizations, even if they have the letters "U.N." on them, that support and subsidize and direct and manage forced abortions.

I cannot think of a worse human rights abuse than taking a women who is pregnant and forcing her to kill her unborn child, and yet the United Nations does it.

The CHAIRMAN pro tempore (Mr. DELLUMS). The Chair would inform the gentleman from New Jersey [Mr. SMITH] that he has 5 minutes remaining, and the gentleman from Pennsylvania [Mr. KOSTMAYER] has 4½ minutes remaining. The gentleman from Pennsylvania has the right to conclude the debate.

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. ATKINS].

Mr. ATKINS. Mr. Chairman, I thank the gentleman for yielding the time to me. I would just like to set the record straight on the role of the UNFPA. There has been a lot of information, a lot of disinformation about the UNFPA.

No. 1, the U.N. Population Fund has a policy on abortion which is exactly the same as the U.S. policy. They do not fund abortions. They have never funded a single abortion anyplace in the world. They do not fund the promotion of abortion.

The second thing is that allegations have been raised about the head of the U.N. Population Fund, Nafis Sadik, that she supports and has endorsed the Chinese policy of coerced abortion. Nothing could be further from the truth.

On the "Nightline" program that the gentleman referred to, she specifically related her meeting with the top leadership in China and her raising her strong objections and concerns, as President Bush did, about the Chinese program.

The United Nations has spoken very loudly and clearly on the Chinese policy.

Mr. KOSTMAYER. Mr. Chairman, I yield 1½ minutes to my friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in strong support of the Kostmayer substitute amendment to the Smith amendment and reaffirm my support for voluntary family planning.

The U.N. Population Fund [UNFPA] is the largest multilateral organization providing voluntary family planning and population assistance worldwide. It provides assistance to more than 140 developing countries.

The UNFPA supports projects ranging from maternal and child health care to programs integrating family planning with parasite control to the expansion of contraceptive services and the training of nurses and doctors.

It must be underscored that UNFPA does not provide any support nor has it ever provided support for abortions or abortion-related activities anywhere in the world.

This important amendment provides assistance to several countries such as Afghanistan, Nicaragua, Hungary, Romania, Poland, and Ethiopia which have no family planning program with the United States Agency for International Development. Moreover, none of these funds will go to China.

Let us bear in mind that an important aspect of U.S. aid to discourage overpopulation which is a danger to quality of life to billions of inhabitants throughout the world.

The world environment has become a vital issue of our time. Population planning assistance is an inseparable part of the solution. Accordingly, I urge strong support of the Kostmayer amendment. Many lives and the quality of life depend on it.

□ 1310

Mr. KOSTMAYER. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, this discussion is so polarized it is hard to know if there is any fluidity or reason in it.

This is not money for China. It is money for the UNFPA.

There are parts of the Chinese program I do not like. When I ran the AID program, I did not like it. We did not give any money for China. The UNFPA is not giving money for the parts of the Chinese program we do not like.

What do we do in those circumstances? What the gentleman from New Jersey [Mr. SMITH] is doing is penalizing all the other nations of the world, and all I can say is that anybody who votes against the Kostmayer amendment, I think, must vote to withdraw MFN from China, every single one.

We are trying to find a way to keep pressure on China without punishing other nations here, and the gentleman is just taking a big ax and hurting everybody. If he is going to do that in this case with the UNFPA, I think you have no alternative but to vote across the board without any qualifications, any condition, to withdraw MFN from China.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, let me say that there is absolutely no disinformation from this side of the aisle with regard to the UNFPA.

The gentleman from Massachusetts [Mr. ATKINS] mentioned Dr. Sadik's appearance on what he called the "Nightline" program. It was not "Nightline"; it was the CBS

"Nightwatch" program. On that program on November 22, 1989, she very clearly stated, and I would like to quote it so there is no doubt about it, "The implementation of the policy and the acceptance of the policy is purely voluntary," and, of course, entirety of the discussion focused was on the policy in China.

Let me also point out that the issue before this body is whether or not funding will go to an organization, the United Nations Population Fund, that has been found every year since 1985, each successive year, in a determination by the President to be in violation of the Kemp-Kasten language. Funding to the UNFPA has been cut because the UNFPA has been found in violation of the restriction against organizations supporting and comanaging a coercive population control program. The gentleman from Pennsylvania [Mr. KOSTMAYER] and others say get rid of Kemp-Kasten; get rid of the underlying conditionality, because the UNFPA cannot meet the test, because repeatedly since 1985 they have failed, and they have been found to have been supporting a system of coercion.

Let me read a quote for the Members just to put again in focus exactly what we are talking about here. Laurence Tribe, who is no friend of the right-to-life movement, said, "China has adopted a one-child-per-family policy, a multiplicity of measures including financial incentives, and compulsory abortions are being used" as he says, "to encourage each family to have only one child. China's compulsory scheme has been met with widespread domestic resistance, particularly in the rural areas, and the international backlash has been harsh. Domestic Chinese resistance to abortion in general and compulsory abortion in particular grows from traditional Chinese values. China's one-family-one-child and compulsory abortion policies greatly undermine the well-being of the couples who bear a female child."

That is from Laurence Tribe.

Yet, the United Nations Fund for Population Activities, again as quoted from Dr. Sadik, says that the "UNFPA firmly believes, "firmly believes," and so does the Government of the People's Republic of China, that their program is a totally voluntary program," and to match that view, they have provided in excess of $100 million to that program. I think that is shameful.

Those who will be supporting the Kostmayer amendment will be saying, in essence, it does not matter what the UNFPA is doing in China so long as our money is fenced off in a clever bookkeeping device, notwithstanding their coercion and their complicity in coercion; that is OK for us. But, if we really care about the women in China, if we really care about the families and the children who are being oppressed by this coercive one-child-per-couple policy, we will not provide that earmark. We will vote no on the Kostmayer amendment.

Let me also read very briefly a quote written by John Aird, a U.S. Census Bureau expert who recently published the book, "Slaughter of the Innocents." Dr. Aird clearly explains and lays out for all to see, China's one-child-per-couple policy, and the complicity and duplicity of groups like the UNFPA. He states, "The Chinese program remains highly coercive not because of local deviations from central policies but as a direct and inevitable and intentional consequence of those policies. Foreign organizations and individuals that indiscriminately laud the Chinese program, or provide financial or technical assistance for any aspect of it, are in a position of supporting the program as a whole including its violations of human rights."

Let me also remind my colleagues, and I would ask that this list be made a part of the RECORD, every dollar that has not gone to the UNFPA since 1985 has been reprogrammed. There is a very long list of organizations, population and family planning organizations around the globe, that have been the recipients of these reprogrammed funds to continue contraceptives and preventive means of family planning. Mr. Chairman, I ask that I include the list as a part of the RECORD.

Finally Mr. Chairman, my good friend, the gentleman from Illinois [Mr. PORTER], said that this amendment, my underlying amendment, is antifamily planning. Nothing could be further from the truth. We are providing in this bill $350 million for family planning assistance. Nobody is attacking that number. We are conditioning it with human rights conditions that say the family planning assistance must be voluntary; coercion has no place in a family planning program.

Mr. KOSTMAYER. Mr. Chairman, I yield myself 1 minute, the remainder of my time.

Mr. Chairman, if the membership has heard nothing else, let it hear these three final facts: The UNFPA world budget is 49 percent diverted to maternal and child health care, 18 percent for family planning and education, 33 percent for data collection and analysis; not a single cent goes for abortion, not a cent.

Second, the gentleman from New Jersey [Mr. SMITH] cuts off not only China, he cuts off 137 other countries including Bangladesh, Ethiopia, and India.

Finally, Mr. Chairman, no United States money goes to China. Now, hear this: no United States money goes to China. Not a single dime goes to China. The membership ought to know it before they vote on it.

This is family planning assistance, and in the foreign operations appropriations bill it is furthermore specified that this $20 million can be used for contraceptives only and nothing else.

Ms. PELOSI. Mr. Chairman, I rise in support of the Kostmayer amendment to H.R. 2508, the Foreign Assistance Authorization Act. This amendment would allocate $20 million to the United Nations Population Fund [UNFPA]. This amendment specifically prohibits the use of any funds in China.

The United Nations Family Planning Fund [UNFPA] was established in 1969 with strong encouragement from the United States and is the largest multilateral organization providing voluntary family planning an dpopulation assistance worldwide. It has been a bold leader in expanding the availability and use of modern contraceptive technology and lowering family size in many developing countries. Since 1969, the fund has provided over $2 billion in population assistance to virtually all developing countries. UNFPA assistance to all regions has continued to increase, however, the demand for continued population and family planning assistance from developing countreis far exceed the availability of UNFPA funds.

Mr. Chairman, some of our colleagues do not want the funds to go to UNFPA, but I believe it is imperative that we continue to support UNFPA as we have for the past 20 years. Last year, Congress denied funds to UNFPA and IPPF [International Planned Parenthood Federation] for nonabortion family planning efforts in Romania and agreed instead to provide funds through USAID, to a number of private family planning organizations there. Unfortunately, these organizations were not equipped to provide the much-needed services. Meanwhile, UNFPA is prepared and ready to meet the requests and demands of people of all cultures. Had UNFPA been funded by us, services would have reached the people of Romania promptly and effectively.

The Population Institute estimates that within the next generation, 3 billion people will reach their reproductive years. That number is equal to the total number of inhabitants on this Earth just 30 years ago. It would be difficult enough for an affluent country to accommodate a doubling of its population in 20 to 25 years, yet this is the exact problem facing many developing countries.

According to a recent article from the Massachusetts Institute of Technology's "Technology Review," more than 90 percent of world population growth occurs in the developing world—the nations that are least able to feed, educate, employ, and otherwise provide for their people. The burden of overpopulation in these countries overwhelms any hopes for economic progress.

The lack of family planning services in Third World countries not only affects their economies, but also places extra hardship on the women who face unwanted pregnancies and childbirth. This ultimately limits a woman's ability to be an active participant in the country's economic development.

I believe that the Bush administration has not adequately considered the devastating effects that rapid overpopulation can have on our planet. Rapid overpopulation can lead to swift urbanization, creating overcrowded, pol-

luted and water-short cities; deforestation and lack of food for our children.

Denying family planning services increases unintended pregenancies and abortions and a deterioration of the overall health of women and children. Family planning promotes child survival, protects a woman from the dangers of high-risk and unwanted pregnancies, enhances family life, and is a key part of sustainable development.

UNFPA is an excellent means to improving the health and well being of women and children around the world. I urge my colleagues to support the Kostmayer amendment and restore funding for the United Nations Fund and Population Activities.

The CHAIRMAN pro tempore. (Mr. DELLUMS). All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KOSTMAYER] to the amendment offered by the gentleman from New Jersey (Mr. SMITH).

The question was taken; and the Chairman pro tempore announced that the nose appeared to have it.

RECORDED VOTE

Mr. KOSTMAYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 234, noes 188, not voting 9, as follows:

[Roll No. 148]

AYES—234

Abercrombie	Dooley	Hughes
Ackerman	Downey	Jacobs
Alexander	Durbin	Jefferson
Anderson	Dwyer	Jenkins
Andrews (ME)	Eckart	Johnson (CT)
Andrews (NJ)	Edwards (CA)	Johnson (SD)
Andrews (TX)	Edwards (TX)	Johnston
Anthony	Engel	Jones (GA)
Aspin	Erdreich	Jones (NC)
Atkins	Espy	Jontz
AuCoin	Evans	Kaptur
Bacchus	Fascell	Kennedy
Beilenson	Fawell	Kennelly
Bentley	Fazio	Kleczka
Berman	Feighan	Klug
Boehlert	Fish	Kolbe
Bonior	Flake	Kopetski
Boucher	Foglietta	Kostmayer
Boxer	Ford (MI)	Lancaster
Brewster	Ford (TN)	Lantos
Brooks	Frank (MA)	LaRocco
Brown	Franks (CT)	Leach
Bryant	Frost	Lehman (CA)
Bustamante	Gallo	Lehman (FL)
Campbell (CA)	Gejdenson	Levin (MI)
Campbell (CO)	Gekas	Levine (CA)
Cardin	Gephardt	Lewis (GA)
Carper	Geren	Lloyd
Carr	Gibbons	Long
Chandler	Gilchrest	Lowey (NY)
Clay	Gilman	Machtley
Clement	Glickman	Markey
Coleman (TX)	Gonzalez	Martinez
Collins (IL)	Gordon	Matsui
Collins (MI)	Gray	McCandless
Condit	Green	McCloskey
Conyers	Guarini	McCurdy
Cooper	Hamilton	McDermott
Coughlin	Hatcher	McHugh
Cox (IL)	Hayes (IL)	McMillen (MD)
Coyne	Hefner	McNulty
Cramer	Hertel	Meyers
Darden	Hoagland	Mfume
DeFazio	Hobson	Miller (CA)
DeLauro	Hochbrueckner	Miller (WA)
Dellums	Horn	Mineta
Derrick	Horton	Mink
Dickinson	Houghton	Molinari
Dicks	Hoyer	Moody
Dixon	Hubbard	Moran
Morella	Rose	Studds
Morrison	Rowland	Swift
Mrazek	Roybal	Synar
Nagle	Sabo	Tanner
Neal (NC)	Sanders	Thomas (CA)
Nichols	Sangmeister	Thomas (GA)
Oakar	Savage	Thornton
Olin	Sawyer	Torres
Owens (NY)	Scheuer	Torricelli
Owens (UT)	Schiff	Towns
Pallone	Schroeder	Traficant
Panetta	Schumer	Unsoeld
Patterson	Serrano	Upton
Payne (NJ)	Sharp	Valentine
Payne (VA)	Shays	Vento
Pease	Sikorski	Visclosky
Pelosi	Sisisky	Washington
Penny	Skaggs	Waters
Peterson (FL)	Slattery	Waxman
Pickett	Slaughter (NY)	Weiss
Pickle	Smith (FL)	Wheat
Porter	Smith (IA)	Williams
Price	Smith (TX)	Wilson
Rangel	Snowe	Wise
Ravenel	Solarz	Wolpe
Reed	Spratt	Wyden
Richardson	Stark	Zeliff
Riggs	Stokes	Zimmer

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Allard	Hansen	Peterson (MN)
Annunzio	Harris	Petri
Applegate	Hastert	Poshard
Archer	Hayes (LA)	Pursell
Armey	Hefley	Quillen
Baker	Henry	Rahall
Ballenger	Herger	Ramstad
Barnard	Holloway	Ray
Barrett	Huckaby	Regula
Barton	Hunter	Rhodes
Bateman	Hutto	Ridge
Bennett	Hyde	Rinaldo
Bereuter	Inhofe	Ritter
Bevill	Ireland	Roberts
Bilbray	James	Roe
Bilirakis	Johnson (TX)	Roemer
Billey	Kanjorski	Rogers
Boehner	Kasich	Rohrabacher
Borski	Kildee	Ros-Lehtinen
Broomfield	Kyl	Roth
Browder	LaFalce	Russo
Bruce	Lagomarsino	Santorum
Bunning	Laughlin	Sarpalius
Burton	Lent	Saxton
Byron	Lewis (CA)	Schaefer
Callahan	Lewis (FL)	Schulze
Camp	Lightfoot	Sensenbrenner
Chapman	Lipinski	Shaw
Clinger	Livingston	Shuster
Coble	Lowery (CA)	Skeen
Coleman (MO)	Luken	Skelton
Combest	Manton	Slaughter (VA)
Costello	Marlenee	Smith (NJ)
Cox (CA)	Mavroules	Smith (OR)
Crane	Mazzoli	Solomon
Cunningham	McCollum	Spence
Dannemeyer	McCrery	Staggers
de la Garza	McDade	Stallings
DeLay	McEwen	Stearns
Donnelly	McGrath	Stenholm
Doolittle	McMillan (NC)	Stump
Dorgan (ND)	Michel	Sundquist
Dornan (CA)	Miller (OH)	Swett
Dreier	Moakley	Tallon
Duncan	Mollohan	Tauzin
Early	Montgomery	Taylor (MS)
Edwards (OK)	Moorhead	Taylor (NC)
Emerson	Murphy	Thomas (WY)
English	Murtha	Traxler
Fields	Myers	Vander Jagt
Gallegly	Natcher	Volkmer
Gaydos	Neal (MA)	Vucanovich
Gillmor	Nowak	Walker
Gingrich	Nussle	Walsh
Goodling	Oberstar	Weber
Goss	Obey	Weldon
Gradison	Ortiz	Whitten
Grandy	Orton	Wolf
Gunderson	Oxley	Wylie
Hall (OH)	Packard	Yatron
Hall (TX)	Parker	Young (AK)
Hammerschmidt	Paxon	Young (FL)
Hancock	Perkins	

NOT VOTING—9

Davis	Hopkins	Rostenkowski
Dingell	Kolter	Roukema
Dymally	Martin	Yates

□ 1339

The Clerk announced the following pair:

On this vote:

Mrs. Roukema for, with Mr. Davis against.

Messrs. EMERSON, SMITH of Oregon, and PURSELL changed their vote from "aye" to "no."

Mr. HERTEL, Ms. OAKAR, Ms. KAPTUR, and Mr. SCHIFF changed their vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1340

AMENDMENT OFFERED BY MR. BERMAN TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY, AS AMENDED

Mr. BERMAN. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. BERMAN to the amendment as amended, offered by Mr. SMITH of New Jersey: In the text proposed to be inserted by the amendment, strike out paragraph (2) and insert in lieu thereof the following:

"(2) to any foreign nongovernmental organization which uses (or if any such funds were made available, would use) funds provided by the United States Government to perform or actively promote abortion as a method of family planning.

Funds made available to carry out this title or chapter 1 or chapter 2 of title V that are made available for population planning activities shall not be denied to nongovernmental organizations or multilateral organizations on the basis of any criterion that is not applicable to foreign governments that receive such funds.

Mr. BERMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. BERMAN. I yield to the gentleman from Florida, the chairman of the committee.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I rise to see if we cannot get an agreement here on the debate time on this amendment.

I would like to suggest to my distinguished colleague, the gentleman from Michigan [Mr. BROOMFIELD], the ranking Republican, that we take 30 minutes on each side on this amendment.

The CHAIRMAN pro tempore. The Chair would like to clarify the unanimous-consent request. Is the gen-

tleman talking about the Berman amendment to the Smith amendment, limiting debate on the Berman amendment to the Smith amendment, to 30 minutes?

Mr. FASCELL. Mr. Chairman, let me make that 20 minutes on each side.

The CHAIRMAN pro tempore. Twenty minutes on each side?

Mr. FASCELL. So, Mr. Chairman, my unanimous-consent request would be that debate on the Berman amendment and any amendment thereto be limited to 40 minutes, 20 minutes on this side, the time to be controlled by the gentleman from California [Mr. BERMAN] and 20 minutes on that side, the time to be controlled by the gentleman from Michigan [Mr. BROOMFIELD].

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida [Mr. FASCELL]?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from California [Mr. BERMAN] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. BERMAN].

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

Mr. Chairman, this amendment is offered by the gentlewoman from Kansas [Mrs. MEYERS], the gentlewoman from Maine [Ms. SNOWE], the gentleman from Massachusetts [Mr. ATKINS], and this gentleman to the second part of the Smith of New Jersey amendment, that portion of the Smith amendment which rescinds and wipes out the committee action which overturns the Mexico City gag rule policy.

The effect of supporting this amendment will be to leave the underlying Helms law, the law that is now codified, that is on the books, sponsored by the gentleman from the other body, which makes it illegal for U.S. Government funds in our family population programs to be used to perform or to promote abortion. But it would not affect and seek to regulate the funds expended by non-governmental organizations in any fashion other than that which we regulate the expenditure of funds by foreign governments whom we provide population control and family planning funds for.

Before I speak further on this legislation, I yield 4 minutes to a cosponsor of this amendment, the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Chairman, the so-called Mexico City policy cripples American family planning efforts.

When we in this House decide whether to approve or disapprove a policy, we should first understand exactly what the policy says. The specific language of the Mexico City policy says that the United States shall give no family planning assistance to any nongovernmental organization that "promotes" abortion as a method of family planning. It has been interpreted by the Reagan and Bush administrations as meaning that no American assistance can go to an organization that uses its own funds for any abortion-related activity, including referring a woman to where she can get a legal abortion if she asks for the information. If you look up the word "promote" in the dictionary, you will see it means "advocate" or "urge the adoption of." None of the family planning organizations denied funding by the Mexico City policy advocates the use of abortion for family planning. They advocate contraception. This is not a debate about abortion. It is a debate as to whether the most effective private family planning organizations in the world, who specialize in delivering birth control services to women, will receive American financial assistance.

The Mexico City policy does not affect the over 30 governments that receive direct population assistance from the United States under bilateral agreements with AID. They can do anything they want with non-U.S. funds, but private organizations are discriminated against. In fact, Egypt, India, Nigeria, and Kenya are countries that have bilateral agreements with AID and allow abortion, yet the private organizations are restricted by the Mexico City policy. In fact, because they must comply with the Mexico City policy, they run the risk of breaking the local law. This is cultural imperialism.

There is absolutely no justification for this double standard. Private, indigenous family planning organizations are just as capable of meeting the same standards as governments in ensuring that no American money is used to promote abortion. To prohibit these private organizations from receiving American support is to hinder the most innovative and effective means of getting family planning information to the women of the developing world.

The opponents of this amendment will say that the Mexico City policy does not prevent family planning because all the money gets spent eventually on population programs. They are wrong. This policy prevents American aid to many countries where family planning is desperately needed. Let us look at one organization that was defunded by the Mexico City policy, the International Planned Parenthood Federation. Although the shortfall caused by U.S. withdrawal of funds was partially made up by other donors, IPPF was forced to cancel plans to establish family planning programs in almost a dozen countries, several of which do not have any AID program. What were these countries, and how badly do they need family planning? Malawi, with a birthrate of 52 per 1,000 population, and an annual population increase of 3.4 percent; Niger, with a birthrate of 51 per 1,000 and an increase of 3.3 percent; Chad, 44 per 1,000, and an increase of 2.5 percent; Guinea-Bissau, 43 per 1,000, and a 2-percent annual increase; Angola, 47 births per 1,000 people, and an increase of 2.8 percent; Burundi, a birth rate of 47 per 1,000, and an increase of 3.2 percent; Cameroon, with a rate of 42, and a 2.6-percent annual increase in population; Gabon, 39 births per 1,000, and a 2.3-percent increase; Cape Verde, with 40 births per 1,000, and 3.2 percent; Sao Tome and Principe, a 35 per 1,000 birth rate, and a 2.8-percent annual increase; and Equatorial Guinea with 43 births per 1,000, and a population increase of 2.6 percent per year. Only Niger and Burundi have bilateral population agreements with AID, although Chad, Malawi, and Cameroon are serviced by organizations that follow the Mexico City policy. Is anyone going to say the rest of these countries can do without our family planning help?

Just consider Bangladesh, Mr. Chairman. It has a population of 118 million and a growth rate of 3 percent. In 24 years their population will double. Can you imagine the population of the United States trying to fit in a country that size? That will be the case if we do not make every effort to curb population growth.

For 6 years we have given no assistance to the most technically proficient, well organized groups that specialize in family planning. With the threat of overpopulation so great, we must be part of the solution. We haven't been part of the solution, we've been part of the problem.

In debating issues in Congress, we often forget that we are not talking about abstractions. A woman in Africa has a 1 in 21 chance of dying from a pregnancy-related cause. If that ratio were applied to the House, 21 of our colleagues would have died or would have had their wife die during pregnancy. This policy withholds needed medical advice from women. Real women are dying because the Mexico City policy deprives them of access to the health care they need. This amendment must be agreed to.

□ 1350

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment of the gentleman from California [Mr. BERMAN] that is before us reverses the Mexico City policy, a policy that was first announced back in 1984 at a population conference in Mexico City under the auspices of the United Nations. Hence its name, Mexico City policy. The Mexico City policy in my view is both pro-child and pro-family planning. It is a humane policy that effectively separates abortion from family planning and international population con-

trol programs. It prevents donations, Mr. Chairman, to those nongovernmental organizations that perform or actively promote abortion as a method of family planning. According to the Agency for International Development, the number of NGO's that have accepted the Mexico City policy has actually grown in the last year, from about 300 NGO's to approximately 400 currently.

Mr. Chairman, I would just point out to the membership, to those who say that somehow we are cutting family planning, and I will be making this a part of the RECORD. I have in front of me a list of those NGO's that have accepted the Mexico City clause and are currently involved in a number of countries throughout the world in the provision of family planning services.

FOREIGN NONGOVERNMENT ORGANIZATIONS RECEIVING UNITED STATES FUNDS UNDER THE MEXICO CITY CLAUSE, JUNE 10, 1991

Country	Host Institution
Argentina	Fertilab S.A.
Argentina	Jose Penna Hospital.
Bangladesh	Anannaya Mohila Samity.
Bangladesh	Assoc for Community Health Svc.
Bangladesh	Ban Jatiyo Mohila Sangstha.
Bangladesh	Bang Social Work Teachers Asso.
Bangladesh	Bangladesh Pop Association.
Bangladesh	BAVS.
Bangladesh	BFRP.
Bangladesh	BPKMS.
Bangladesh	Chitra Mohila Samity.
Bangladesh	ICDDR/B.
Bangladesh	Ins of Soc Welfare Research.
Bangladesh	Islamic Organization Fam Welfr.
Bangladesh	Jono Sheba Poribar Porikalpana.
Bangladesh	Madaripur Female Welfare Assoc.
Bangladesh	Moulvibazar Pourashava.
Bangladesh	PCA.
Bangladesh	PROSHANTI.
Bangladesh	SHIMANTIK.
Bangladesh	Srimangal Pourashava.
Bangladesh	Sukhi Paribar.
Bangladesh	Swanirvar Bangladesh.
Bangladesh	Tilottoma Voluntary Womens Org.
Bangladesh	Voluntary Family Welfare Assoc.
Bangladesh	Voluntary Paribar Kallayan.
Bangladesh	Women for Improved Family.
Belize	Belize Family Life Assoc.
Bolivia	Centro Medico Cruz del Sur.
Bolivia	Centro Medico Familiar.
Bolivia	CIES.
Bolivia	Clinica San Pablo.
Bolivia	COBREH.
Bolivia	INPRARES.
Bolivia	Inst de Endocrin y Repr Humana.
Bolivia	San Marcos University.
Brazil	ABEPF.
Brazil	ABRAMGE.
Brazil	Assoc Brasileira Enfermag.
Brazil	BEMFAM.
Brazil	Carmen Helena Snel.
Brazil	CEMICAMP.
Brazil	Cen Estud Trein Repro Humana.
Brazil	CENPLAFAM.
Brazil	Centro Medico Infantil.
Brazil	CEPECS.
Brazil	CEPPD.
Brazil	CNBL.
Brazil	Conf Bras de Saude.
Brazil	Consuelho Londrinense (CLAM).
Brazil	CPAIMC.
Brazil	FEBRASGO.
Brazil	Federal University of Paraiba.
Brazil	Federal University of Parana.
Brazil	FLASOG.
Brazil	Fumdacao Emilio Odebrecht.
Brazil	Fund Universidade do Amazonas.
Brazil	Hospital das Clinicas.
Brazil	Maternidade Climerio Oliveira.
Brazil	Maternidade Encruzilhada.
Brazil	Maternidade Lago.
Brazil	Maternidade Tsylla Balbino.
Brazil	Pro-Mulher.
Brazil	PROFAM.
Brazil	PROPATER.
Brazil	Santa Maria Inst of Repro Hlth.
Brazil	School of Med Sciences Alagoas.
Brazil	SERGIR.
Brazil	Soc Bras de Reproducao Humana.
Brazil	Subregional Diar Dis Ctrl Mtg.
Brazil	Unidade Nonoai.
Brazil	Universidad Federal da Bahia.
Burkina Faso	IHPS.

FOREIGN NONGOVERNMENT ORGANIZATIONS RECEIVING UNITED STATES FUNDS UNDER THE MEXICO CITY CLAUSE, JUNE 10, 1991—Continued

Country	Host Institution
Cameroon	Cameroon Baptist Convention.
Cameroon	University of Yaounde.
Chile	Hospital Juan Noe.
Chile	Hospital Sotero Del Rio.
Chile	ICMER/CPNDS.
Chile	Inst Chileno de Medicin Repro.
Chile	Universidad Austral de Chile.
Chile	Universidad Catolica de Chile.
Colombia	ACEP.
Colombia	Cora.
Colombia	Escuela Colombiana de Medicina.
Colombia	FACBS.
Colombia	Hospital Infantil Universitari.
Colombia	Lab de Invest Entemed Vereras.
Colombia	PROFAMILIA.
Colombia	Publicidad Toro.
Colombia	Univ del Valle/Nursing Dept.
Colombia	Univ del Cali/Nursing Dept.
Colombia	University of Antioquia.
Colombia	University of Santander.
Costa Rica	Hospital San Juan De Dios.
Cote d'Ivoire	AIBEF.
Cote d'Ivoire	Center for African Family Stds.
Cote d'Ivoire	CERCOM.
Cote d'Ivoire	Hospital Protestant de Dabou.
Cote d'Ivoire	IFCAD.
Cote d'Ivoire	Univ of Abidian/Fac of Medicin.
Dominican Republic.	CINSERHA.
Dominican Republic.	Hosp de Nta Sra de Altagracia.
Dominican Republic.	Profamilia.
Ecuador	AMIDEM.
Ecuador	APROFE.
Ecuador	CEPAR.
Ecuador	INPPARES.
Egypt	Ain Shams University.
Egypt	Al Azhar University.
Egypt	Alex Comprehensive Model Clin.
Egypt	Alexandria Family Plan Assoc.
Egypt	Alexandria Univ-Fac of Medicin.
Egypt	Boulak el Dakrour Hospital.
Egypt	Center for Development Commun.
Egypt	El Galaa Teaching Hospital.
Egypt	Family of the Future.
Egypt	FP CTR/Misr S/W Company Hosp.
Egypt	ITRFP.
Egypt	Radaresearch.
Egypt	Shatby Hospital.
Egypt	SPAAC.
El Salvador	ADS.
El Salvador	AMIDEM.
El Salvador	GAMMA.
Gambia	CAFS.
Gambia	Gambia Family Planning Assoc.
Gambia	Gambia Home Economics Assoc.
Ghana	Komfo Anokye Hospital.
Ghana	Korle Bu Teaching Hospital.
Ghana	Kotobaabi Clinic.
Ghana	Mamprobi Polyclinic.
Ghana	Univ Sci and Tech Kumasi.
Ghana	University of Science and Tech.
Ghana	Ussher Clinic.
Guatemala	APROFAM.
Guatemala	FLASOG.
Haiti	AOPS
Haiti	CEGYPEF.
Haiti	Centre Haitiano-Arabe.
Haiti	Hosp Immaculee Conception.
Haiti	INHSAC.
Honduras	ASHONPLAFA.
Honduras	IHSS.
India	Child in Need Institute (CINI).
India	Gujarat Institute of Area Plan.
India	Gujarat St Crime Prevntn Trust.
India	Mahila Sewa Trust.
India	Prerana Assoc CEDPA.
India	Salk Institute.
Indonesia	BKS PENFIN.
Indonesia	Forum Indo Untuk Swadaya.
Indonesia	Hasan Sadikin Hospital.
Indonesia	Indo Pop & Envir Ed Assoc.
Indonesia	Indonesia Midwives Association.
Indonesia	Indonesia Public Health Assoc.
Indonesia	Melati Foundation.
Indonesia	PERDHAKI.
Indonesia	PKCK.
Indonesia	PKMI.
Indonesia	Yayasan Flamboyan Pujiastuti
Indonesia	Yayasan Kusuma Buana (YKB)
Indonesia	Zamrodj Foundation.
Jamaica	Jamaica Cancer Society.
Jamaica	Medical Research Council.
Jamaica	Univ of West Indies.
Jordan	Al Beshir Hospital.
Jordan	Princess Basma Hospital.
Jordan	SFWS.
Kenya	African Council Communication.
Kenya	African Medical & Research FDT.
Kenya	Canaan Medical Services Center.
Kenya	CHAK.
Kenya	Delta Media Productions.
Kenya	Edgerton University.

FOREIGN NONGOVERNMENT ORGANIZATIONS RECEIVING UNITED STATES FUNDS UNDER THE MEXICO CITY CLAUSE, JUNE 10, 1991—Continued

Country	Host Institution
Kenya	Family Life Promotion Services.
Kenya	Family Planning Assn of Kenya.
Kenya	FCI.
Kenya	General Motors Kenya Ltd.
Kenya	Kangaru Clinic and Maternity.
Kenya	Kenya Medical Association.
Kenya	Kenyatta Hospital.
Kenya	Kenyatta University.
Kenya	MYWO.
Kenya	Natl Christ Council of Kenya.
Kenya	PCEA/Chogoria Hospital.
Kenya	Pumwani STD Clinic.
Kenya	Shaani Family Project.
Kenya	The Diocese of Maseno North.
Kenya	University of Nairobi.
Liberia	FPAL.
Madagascar	FISA.
Malawi	PHAM.
Malaysia	General Hospital.
Malaysia	Pusat Kepakaron Reproductif.
Mali	AMPPF.
Mali	Ecole De Sante Publique.
Mali	INSAH.
Mali	Malian National Women's Union.
Mali	National School of Med & Pharm.
Mali	PMI de Commune IV Piabougou.
Mali	Regional Hospital.
Mauritius	MFPA.
Mexico	AIBIR.
Mexico	AMES.
Mexico	AMFEM.
Mexico	AMIDEM.
Mexico	Association Pro-Ayuda Familiar.
Mexico	CEIPLAN.
Mexico	Centro Ginecologico.
Mexico	Centro Investigaciones Region.
Mexico	Centro Para Los Adolescentes.
Mexico	CIFE.
Mexico	Clinica Del Paseo.
Mexico	CMI.
Mexico	Cong de la Ginoglogia y Obstetr.
Mexico	CORA.
Mexico	FEMAP.
Mexico	FFI.
Mexico	Gernab Sandouval Cruz MD.
Mexico	GIMIESAR, AC.
Mexico	Hospital General de Veracruz.
Mexico	Hospital Universitario Torreon.
Mexico	INN.
Mexico	Inst de Investigacion Cientif.
Mexico	Intl Ctr for Training in Pop.
Mexico	Jocotepec Womens Dev Center.
Mexico	La Liga De La Leche de Mexico.
Mexico	MEXFAM.
Mexico	MIPFAC.
Mexico	PLACIRH.
Mexico	PROFAM.
Mexico	PSFN.
Mexico	Universidad Juarez.
Mexico	CNFRH.
Nepal	FPAN.
Nepal	Nepal Crs Co Ltd.
Nepal	Nepal Fertility Care Center.
Nepal	New ERA.
Niger	Center for African Studies.
Nigeria	ABUTH.
Nigeria	Africare.
Nigeria	Ahmadu Bello Unversity.
Nigeria	Assoc. of Women Volunteers.
Nigeria	Baptist Hospital: Ogbomoshos.
Nigeria	COWA.
Nigeria	Femope Marketing Company.
Nigeria	ICENPFH.
Nigeria	Iyi Enu Hospital.
Nigeria	NUT-Moksons Trading Co Ltd.
Nigeria	Nat Council of Women's Society.
Nigeria	Nat'l Councol for Pop Activity.
Nigeria	PPFN.
Nigeria	U Lagos Teaching Hospital.
Nigeria	U Ibadan College of Medicine.
Nigeria	U Lagos College of Medicine.
Nigeria	U of Benin Teaching Hospital.
Nigeria	U of Nigeria Teaching Hosp.
Nigeria	U Port Harcourt Teaching Hosp.
Nigeria	Univ College Hospital/Ibadan.
Nigeria	Univ Ilorin Teaching Hospital.
Nigeria	Univ Maiduguri Teaching Hosp.
Nigeria	Univ of Calabar Teaching Hosp.
Nigeria	Univ of Ife Teaching Hospital.
Nigeria	Univ of Jos Teaching Hospital.
Pakistan	All Pakistan Women's Assoc.
Pakistan	Behbud Association.
Pakistan	College of Fam Med Peshawar CH.
Pakistan	Darsano Chhano Social Welfare.
Pakistan	Faisalabad Chapter.
Pakistan	FPAP.
Pakistan	IMWA.
Pakistan	Matrnl & Child Welfare Assoc.
Pakistan	Memorial Christian Hosp Sialk.
Pakistan	NGO Coordinating Council.
Pakistan	Pakistan Nurses Federation.
Pakistan	Pakistan Society for Plan Par.
Pakistan	Pakistan Vol Hlth & Nutr Assoc.
Pakistan	Patient Welfare Assoc Baldia.

FOREIGN NONGOVERNMENT ORGANIZATIONS RECEIVING UNITED STATES FUNDS UNDER THE MEXICO CITY CLAUSE, JUNE 10, 1991—Continued

Country	Host Institution
Pakistan	PMI.
Pakistan	Urban Comm Dvlpmt Council.
Panama	Complejo Hosp Metropolitano.
Panama	Hosp Jose Domingo de Obaldia.
Panama	Hospital Santo Tomas.
Panama	PANAMA OB/GYN SOCIETY.
Paraguay	CEPEP.
Paraguay	INPPARES.
Peru	ADIM.
Peru	APDBFI.
Peru	APROSAMI.
Peru	Asociacion Civil Labor—LABOR.
Peru	Asociacion Cultura La Tortuga.
Peru	Asociacion Peru-Mujer.
Peru	CEDER.
Peru	Celegio Asistenta Sociales.
Peru	Centro Medico Carmen de Legua.
Peru	CPIA.
Peru	Hospital San Juan De Dios.
Peru	Instituto Marcelino.
Peru	Maternidad De Lima.
Peru	PLANIFAM.
Peru	PROFAMILIA.
Peru	SMMISA.
Peru	Univ Peruana Cayetano Heredia.
Peru	Universidad de Lima.
Philippines	ADPCN.
Philippines	AFPTC/CMCP.
Philippines	Ago General Hospital.
Philippines	Ago Medical & Education Center.
Philippines	Cebu Medical Center.
Philippines	CMCP.
Philippines	Davao Medical Center.
Philippines	Fertility Care Center.
Philippines	FP Organization of Philippines.
Philippines	IMCH.
Philippines	Mary Johnston Hospital.
Philippines	Nicanor Reyes Medical Foundat.
Philippines	PAVSC.
Philippines	Philippines General Hospital.
Philippines	Population Center Foundation.
Philippines	Silliman University.
Philippines	Southwestern Univ Med Center.
Philippines	UP Population Institute
Rwanda	Centre Hospitaliere de Kigali.
Rwanda	National University of Rwanda.
Senegal	ASBEF.
Senegal	Le Dantec Hospital.
Senegal	SANFAM.
Senegal	University of Dakar.
Sierra Leone	PPASL.
Sri Lanka	CDS.
Sri Lanka	FPASL.
Sri Lanka	MOPI.
Sri Lanka	SLAVSC.
St. Lucia	FPA St Lucia.
Sudan	Khartoum North Hospital.
Sudan	Port Sudan Civil Hospital.
Sudan	SFCA.
Sudan	Sudan Community Based Health.
Tanzania	7th Day Advent Church Health.
Tanzania	FP Assoc of Tanzania (UMATI)
Thailand	Chiang Mai University.
Thailand	Chulalongkorn University.
Thailand	Khon Kaen University Hospital.
Thailand	PDA.
Thailand	Population + Community Develop.
Thailand	Siriraj Hospital.
Thailand	TAVS.
Thailand	TDRI.
Thailand	Thai Fertility Research Assoc.
Thailand	Thai Red Cross Society.
Togo	University of Benin.
Tunisia	ONFP.
Turkey	Found for Adv & Recoc of Turk.
Turkey	Hacettepe U/Institute of Pop.
Turkey	Human Research Develop Found.
Turkey	Institute of Child Health.
Turkey	Karendiz University.
Turkey	Lioness Clubs.
Turkey	TFHPF.
Turkey	Turkiye Esnaf Ve Sanatkarla Ko.
Uganda	Bosoga MSRDP.
Uganda	Diocese of East Ankole.
Uganda	FPAU.
Uganda	Institute of State Applied Eco.
Uganda	University of Ibadan.
Uruguay	Soc Ginecotocologica—Uruguay.
Venezuela	Maternidad Conception Palacios.
Yemen, Republic of.	YFCA.
Zaire	IMCK.
Zaire	PSND.
Zambia	Adventist Devel & Relief Ag.
Zambia	Center African Family Studies.
Zambia	University Teaching Hospital.
Zimbabwe	University of Zimbabwe.
Zimbabwe	ZNFPC.
Chile	APROFA
Jamaica	JFPA.
Panama	APLAFA.
Trinidad and Tobago.	FPATT.
Uruguay	AUPFIRH.

FOREIGN NONGOVERNMENT ORGANIZATIONS RECEIVING UNITED STATES FUNDS UNDER THE MEXICO CITY CLAUSE, JUNE 10, 1991—Continued

Country	Host Institution
Venezuela	PLAFAM.

Source: Agency for International Development.

Significantly, Mr. Chairman, the United States remains the leading donor of population aid in the world. We provide about 45 percent of all international family planning assistance in more than 100 countries. As a matter of fact, 85 of those countries are developing countries, and it is a very significant number indeed.

So, Mr. Chairman, I would suggest that the United States in no way has abrogated its leadership in family planning. Since 1981 the United States has obligated $2.6 billion for these programs around the globe.

Mr. Chairman, I believe that Americans can be very proud of the fact that where the U.S. Government provides substantial amounts of funds to family planning initiatives worldwide, we draw a very real line with regard to abortion, and we do it in a way that protects, to the greatest extent possible, the vulnerable unborn children of the world. It is precisely because children, Mr. Chairman, like their mothers, are absolutely precious and deserving of respect and our compassion that our Government says no to funding of abortion either directly or indirectly and seeks to provide financing to family planning programs that are less likely to prove injurious to the unborn child.

It should be clear, Mr. Chairman, as to why the Bush administration, and the Reagan administration before them, have insisted that abortion not be construed as a method of family planning. The reality is that abortion procedures destroy helpless infants by ripping them apart or poisoning them in salt water.

Mr. Chairman, in one common method of abortion known as vacuum aspiration, a loop shaped knife attached to a high powered suction machine rips and shreds the unsuspecting child to pieces. The body parts are then vacuumed into a bottle and they're disposed of. The power of the vacuum is said to be about 30 times that of a household vacuum cleaner, and in a D&C and D&E abortion, the child is dismembered, literally dismembered, by a surgeon's scalpel without even the benefit of anesthesia. In saline abortions, Mr. Chairman, usually done in the second trimester, the unborn baby, has his or her life purposely snuffed out by an overdose of injected salt water.

These are the realities of abortion. This is the child abuse that abortion represents. This is horrific reality, Mr. Chairman, and the horrific reality is that the result is dead babies. In each and every case abortion stops a beating heart.

I am sad, Mr. Chairman, that there are family planning organizations who refuse to divest themselves of their abortion performance and abortion promoting components. That is unfortunate, but for those that do divest themselves or perhaps are not involved in the first place, there has been, and there will continue to be, ample family planning moneys provided in this bill through ESF funds, through the population account so that there is no diminution of family planning assistance worldwide.

Finally, let me say to my colleagues that, if either this amendment passes or the other amendment which just prevailed remains in the bill, this legislation is coming back vetoed. The President has made very clear in a letter, as well as through vetoes and the exercise of the veto pen in previous years that reversals of the Mexico City policy are wrong. He will not abide by them, and I do believe we will be seeing this issue again.

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

Mr. BERMAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I believe that women should not be treated as second-class citizens and should be entitled to get the information.

Mr. Chairman, I urge my colleagues to vote for the Berman-Myers-Snowe-Atkins amendment overturning the international gag rule, also referred to as the Mexico City policy. This policy prohibits U.S. funding from being channeled through nongovernmental organizations that use their own funds for abortion services, counseling, or referrals. Foreign governments are exempt from this prohibition.

Approximately 65 developing countries eligible for U.S. AID support allow abortion under some circumstances. However, under this policy, indigenous family planning programs in these countries can only accept desperately needed U.S. funding if they disregard local law with regard to abortion. This gag rule has made it very difficult for family planning clinic workers who are forced to lie to the women who seek their assistance. The women who go to these clinics then lose their confidence in the programs and do not return.

The committee language simply allows nongovernmental family planning programs in developing countries to follow their own laws, using their own funds, while also being able to accept urgently needed U.S. family planning assistance. This provision does not change existing prohibitions against abortion; it does not allow U.S. funds to be used to provide information about abortion or to promote abortion.

Family planning can only be effective if women are provided with complete and accurate information regarding the options available to them. I urge my colleagues to vote for the Berman-Myers-Snowe-Atkins amendment

to overturn this unethical and discriminatory policy.

Mr. BERMAN. Mr. Chairman, I yield 3½ minutes to the gentlewoman from Maine [Ms. SNOWE], the ranking member of the International Operations Subcommittee.

Ms. SNOWE. Mr. Chairman, I thank the gentleman from California [Mr. BERMAN] for yielding.

Mr. Chairman, members of the committee, I rise in strong support of the amendment that has been offered by the gentleman from California which supports the language in the House foreign affairs legislation to reverse the Mexico City policy. I oppose the amendment that has been offered by the gentleman from New Jersey [Mr. SMITH]. What the gentleman from New Jersey wants us to support is nothing more than an international gag rule. It prohibits Federal funds going to any international nongovernmental organization that with its own funds provides abortion referral services.

Let me emphasize, my colleagues, that we are not talking about the use of American funds. We are talking about restricting access to medical information to women in developing countries by nongovernmental organizations using their own funds. U.S. money, in fact, does not go for abortion. It has not gone for abortion. It has never gone for abortion. Since the adoption of the Helms amendment to the Foreign Assistance Act in 1973, the United States has been prohibited from spending one dime on abortion, and, to ensure that the Helms agreement was understood, the Administrator of AID in 1974 issued a detailed policy statement listing the prohibitions under the Helms language.

Mr. Chairman, on a number of occasions I have asked the administration and the Agency for International Development to provide me with evidence of any violations of these restrictions, if any family planning recipients have promoted abortion with American funds. I have yet to get an answer. I have been met with silence. In fact, 2 years ago, when we had a hearing on this issue, I asked the Administrator for AID to please submit examples of violations of this policy, and we have never heard about any violations of policies. So, if there have been no violations of the Helms amendment of 1973, why in 1984 does the administration adopt further restriction on family planning services? And why does the gentleman from New Jersey [Mr. SMITH] seek to perpetuate them?

We are setting a double standard; make no mistake about it. Under this policy we treat the private organizations in other countries differently from the governments in those countries. We trust foreign governments to separate their abortion-related activities from U.S.-supported family planning activities, but not nongovernmental associations. That is a double standard; make no mistake about it. This international gag rule is effectively curtailing family planning assistance, not only to developing countries, but to the organizations most likely to provide high quality services and doing the best job.

□ 1400

In fact, the policy has only added to the confusion of the AID cooperating agencies. In the 1990 internal evaluation of compliance with the policy, AID found,

> Project management have reacted to the Mexico City policy requirements by approaching the abortion question with an overcautiousness that extends to activities clearly permitted under the policy. This overcautiousness is based on a fear that any association with abortion-related activities, however indirect, could place a program's funding in jeopardy.

How has that overcautiousness affected women in the developing countries? First, the AID report states in fact it may be having an impact on long-term health issues for women.

Mr. SMITH of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I want to take what little time I have to congratulate the gentleman from New Jersey [Mr. SMITH]. I know of no one I admire more than I admire him. He has got a conscience. He believes in things. He votes his beliefs, and it is more than refreshing, it is reassuring, to serve in this body with CHRIS SMITH.

Second, I am very saddened today because we are blurring the line of distinction between abortion, which is the killing of a life once it has begun, with family planning, which is the prevention of conception, the prevention of bringing that new life into the world.

As we ignore that distinction between the two, we become accessories to abortions all over the globe. The Mexico City policy has funded family planning in the amount of millions and millions of dollars, and every nickel of it is used for family planning. Why we have to subsidize organizations that perform abortions or actively promote abortions to manifest our concern and our successful support of family planning around the globe, I do not know. But I think we have gotten used to the word abortion. It no longer sends a chill up anybody's spine.

I am waiting until the medical profession starts handing out shingles that say, "Eye, Ear, Nose, Throat, and Abortions." I am waiting to have the doctor's business cards say "Abortionist." At least there is one profession that still abhors the consequences of that title.

But what we are doing here today, if indeed we pass the Berman-Myers-Snowe—whoever else is for it—amendment, we are going to coerce taxpayers' money, people whose conscience stops short of supporting abortion, we are going to see taxpayers' funds go to organizations that perform abortions and that promote abortions.

Mr. Chairman, you can talk about sequestering or fencing in money. Money is fungible, and that bookkeeping gimmick, and that is what it is, ought not to deceive anybody.

But if you wish to stand on the side of organizations that promote, actively promote, not passively promote, or perform abortions, you have that choice today.

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

Mr. HYDE. I yield to my friend, the gentleman from Wisconsin, who will run for the Senate one day, and I hope soon.

Mr. MOODY. Mr. Chairman, I appreciate the courtesy of the gentleman in yielding. I take it the main point of the gentleman from Illinois [Mr. HYDE] is that money is fungible. That seems to be an important point, which I think deserves real debate. If that is true, since we have only state enterprises in China, I assume the gentleman would be joining us to stop all trade with China, because that will improve the public coffers.

Mr. HYDE. Mr. Chairman, reclaiming my time, I intend to support sanctions against China. I do not agree with my administration on that, and I thank the gentleman from Wisconsin [Mr. MOODY] for letting me demonstrate my streak of independence.

Mr. BERMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. ATKINS], who has been a leader in this effort.

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

Mr. Chairman, I rise in support of the Berman amendment. This amendment is not about abortion. No U.S. funds can be used to perform abortion abroad. Rather, this amendment is about ending the hypocrisy in the U.S. policy.

Under the Smith amendment, and under current policy, we treat foreign governments different from the way we treat foreign private voluntary organizations. We allow foreign governments to pursue whatever their sovereign policies are on the issue of choice. But if it is a private voluntary organization, we have a gag rule. We say you must renounce anything you might do with private funds, anything you might do separately from U.S. funds.

Mr. Chairman, gag rules do not work. Gag rules are crazy. We have a protection to assure that no taxpayer moneys are used for abortion. This is about removing the gag rule on private voluntary organizations.

Mr. Chairman, this amendment will allow us to make more effective use of our international funds. One year ago we had a debate on a program in Roma-

nia. The gentleman from New Jersey [Mr. SMITH] at that time insisted that AID was ready, that he wanted a family planning program in Romania, and that he had four organizations that were ready right at that time to proceed immediately, that would follow the Mexico City gag rule, and proceed immediately to provide services.

What happened? Not one of those organizations has provided a single bit of family planning services in Romania. There is still no program in Romania, thanks to the crazy gag rule in this policy.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I read with interest Prof. Lawrence Tribe's book, "Abortion, the Clash of Absolutes."

Now, Lawrence Tribe is an old fan of the conservative side of the aisle, even though he had testified with some vigor against Justice Robert Bork's Supreme Court nomination. I would hope Mr. Tribe is well thought of by liberals as a philosopher and legal scholar.

In his book on abortion, he says that it appears we are not getting any closer to a resolution.

Mr. Chairman, I am sorry if these words seem harsh to some Members, but I believe an abortion cult, a real cult, has developed in America, where it has become for some people, the focus of everything they do in their life, to defend the right to kill children in the womb.

How does it spill over into something that has such a gentle ring to it, family planning? It spills over because that cult thinks abortion is the best backup family planning method of all.

Mr. Chairman, there are not many people elected to public office that I know of, except for a few bizarre people here and there, who will admit that. But many unelected political activists, including Ted Turner, who controls what I think is the most outstanding network in America, put as the principal basis of their environmental concern, a concern we should all be involved with, the practice of family planning, including the use of abortions.

Because funds for family planning mixed domestically by Planned Parenthood, it is not even a coverup any more. You have the abortion clinic in the back, you are getting Federal money, and you mix it all together with true family counseling.

In my own Orange County, no abortions are performed by Planned Parenthood, but they refer women to San Bernardino County, where they have the same office structure and the same public relations people.

That is what they do on the world scene with the U.N. fund for family planning activities. Because they are not elected to office but draw high U.N. salaries by appointment, they will tell you to your face that China has to do what it has to do. They have to have this forced abortion policy. We disagree. It is coercive. These people protest that it is not genocide in Tibet, it is just family planning of another type, and the world will get around to agreeing with China eventually.

So we go through this dance in this legislature of elected people, and we say, oh, I think the genocide in Tibet is a civil rights violation. I think it is terrible, forced abortion, in the seventh, eighth, and ninth months in China. But we are going to let them do it anyway. None of our money we send to them is really going to be directed toward people who do that sort of thing.

But in Mexico, we got it clear. The gentleman from New Jersey [Mr. SMITH] reaffirms Mexico. The Berman amendment guts the Mexico policy.

Mr. Chairman, the President will veto it. Everything is irrelevant today if this provision stays in.

□ 1410

Mr. BERMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in support of the Berman-Myers-Snowe-Atkins amendment to the Smith amendment which seeks to reimpose the Mexico City policy which has been eliminated in H.R. 2508 and to reaffirm my strong support for comprehensive family planning. And I want to take this opportunity to commend the sponsors of two measure and particularly the gentlewoman from Kansas for her dedication and diligent work on this important issue.

Each year, 1 million women die throughout the world as a result of pregnancy related complications or childbirth. Ninety-nine percent of these women live in developing countries where the risk of dying from pregnancy related causes is 50 to 100 times greater than in the industrialized nations.

Family planning can prevent between one-quarter and one-third of all maternal deaths. With the ability to prevent unnecessary deaths in the developing world through family planning, and allowing individuals to exercise their right to control their own fertility, countless lives can be saved.

The vital issue before us is the importance of allowing U.S. aid to family planning organizations so that women can exercise their right to control their own lives thereby saving countless lives.

Today, the world environment has become one of the vital issues of our time. Population planning assistance is an inseparable part of the solution. Accordingly, I rise in strong support of the amendment and urge my colleagues to support it as well.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to my friend, the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I would like to oppose the Berman amendment and support the Smith reaffirmation of the Mexico City policy, and the Berman amendment guts that.

I think that we should recognize that the gentleman from New Jersey [Mr. SMITH] has spent a great deal of time working on this, and he believes with a great passion, and there are many of us who support his feelings. The implementation of the Mexico City policy has not reduced U.S. funding of international family planning programs whatsoever. Every penny that has been withheld from UPPF has been reprogrammed to other organizations or directly to foreign governments for family planning purposes.

A recently published report by the Population Crisis Committee reportedly referred to a column by the Washington Post columnist Hobart Rowen, who last week in it gave special praise to AID's program in Bangladesh and said, "AID has committed over $300 million to Bangladesh population activities since 1979." And "AID's support has clearly been a critical contributing factor to overall program success." Despite this acknowledgment by the PCC, Mr. Rowen incredibly claimed that the Mexico City policy was responsible for the recent tragedy in Bangladesh. Such demagogic claims are clearly ludicrous when one takes the time to examine the facts.

The Planned Parenthood Federation of America is so ideologically committed to abortion that it has refused to accept U.S. funds under a contraception-only policy. Planned Parenthood Federation of America President Fay Wattleton told the National Press Club that "Our Government must increase its funding to make contraception and safe, legal abortion available in developing nations."

To accept funds under the Mexico City policy would violate PPFA's principle that reproductive rights are indivisible. The U.N. world population plan of action, to the contrary, makes it very clear that abortion and contraception are very different and quite divisible.

Again, Members should be aware that the Planned Parenthood Federation is the largest provider of abortion in the United States, performing more than 100,000 abortions per year in their own facilities.

Mr. Chairman, we are destroying the future of our country and of our world by what we are doing, accepting these amendments. I oppose them very strenuously.

Mr. BERMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, we are debating the Mexico City policy of the Reagan and Bush administrations. What the Mexico City policy says is this: The United States cannot give any family planning assistance to international organizations, such as the International Planned Parenthood Federation, which tells women about the option of abortion. This is the international version of the Supreme Court's gag rule. This is madness, Mr. Chairman.

If there is a clinic in Bangladesh or India or Ethiopia and a poor Indian or Ethiopian or Bangladeshi woman enters that clinic and unless she terminates her pregnancy she will die, the doctor cannot tell her that. And if he does, that clinic will lose all U.S. money. That is what this is all about.

The American people are not for this. The Supreme Court is for it, but the American people are not for it. This gives Members a chance today to send a signal to the country, to the President, to the High Court that we believe that no Supreme Court should pass a law interfering with the relationship between a doctor and her patient.

Let the President veto the bill. I hope he does. Let this be the election in 1992. Let the American people know that the President of the United States does not want to provide funds to clinics which provide advice to women on whether or not they can have an abortion. Let that be the issue in 1992 because that is what this vote is all about.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it seems to me to be indefensible to advance abortion as a method of family planning. That is what we are talking about. The various polling organizations from Gallup, Richard Wirthlin's organization, and others have found that an overwhelming number of Americans, in excess of 85 percent, do not believe that abortion ought to be performed or promoted as a method of family planning. That is the issue that is before us.

The Mexico City clause provides for three exceptions: the life of the mother, rape, and incest. That is contained within the language of the contract clauses that have been signed by approximately 400 foreign nongovernmental organizations.

I believe, Mr. Chairman, that the amendment that is before the committee, which seeks to reverse the Mexico City policy, ultimately, if it were to be enacted and overridden, which I doubt it will be overridden, will be construed or seen some day as being an extremely antichild amendment.

The reason for that is this: These organizations which get into country X-Y-Z which has very strict or restrictive abortion laws, without the kind of conditionality that the Mexico City policy includes, are then free to get into these countries and to begin agitating for abortion on demand at any time during pregnancy. They can do that without U.S. subsidization, but we provide that additional leverage.

As a matter of fact, it was AID that pointed out, back in 1985, in one of their fact sheets to Members of Congress as to why they differentiate between providing moneys to a sovereign government as long as the money is segregated and providing money to a foreign nongovernmental organization, providing they divest themselves from abortion as a method of family planning.

They wrote:

Abortion is a controversial issue in many countries, especially those with large Catholic or Muslim populations. The U.S. has been criticized in developing countries for its funding of groups—such as IPPF, the International Planned Parent Federation of London and its affiliates—which perform abortions in these countries. The administration believes that it is important to avoid the damage to U.S. interests which result from the belief that it supports abortion. Where abortion services are provided by an organization of which the U.S. is a major contributor, it is unrealistic not to expect that the U.S. be identified with its activities.

However, where U.S. support is rendered to a government program, there is little damage to the U.S. reputation since the issue is one of domestic politics.

What we have before the committee, the Berman amendment, is a reversal of that policy. It does recognize and suggest that abortion ought to be allowed as a method of family planning.

□ 1420

That is what is before the membership.

The underlying amendment, my language, says abortion should not be promoted as a method of family planning.

Mr. Chairman, I remind my colleagues, again, that every dollar that has been appropriated since 1984 when this policy went into effect has been given out, has been provided, to those NGO's, those governments that do not, indeed, provide abortion as a method of family planning.

So I urge Members to vote no on the Berman amendment.

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

Mr. BERMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the gentleman from New Jersey [Mr. Smith] consistently purports to speak for women and their children, and it is his right to think that he can do this. But I say he does not have the standing to speak for women and their children, nor does he have the moral authority to do so.

The gentleman from New Jersey [Mr. SMITH] wishes to gag professional providers of health care from even mentioning the legal option of abortion to a woman keeping a woman ignorant of her rights and her legal choices.

I ask you, my friends, is that showing trust, respect, or caring for women, whether it is in this country or all over the world? I say that it is showing disdain, mistrust, and flat-out contempt, contempt for these women that the gentleman from New Jersey [Mr. SMITH] purports to speak for, and it is the same contempt that it shows to the professional community who would be forced to withhold life-saving information from a woman. Vote for Berman-Meyers-Snowe-Atkins.

Mr. BERMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I rise in strong support of the Berman-Snowe-Meyers-Atkins amendment to overturn the Mexico City gag-rule policy.

Mr. Chairman, here is another bankrupt policy that does nothing to prevent abortion, which is not a legitimate brith control method, but does a great deal to undermine voluntary family planning efforts worldwide. It is not as if the organizations the Smith amendment aims at are spending U.S. taxpayer dollars for abortion. U.S. law has always prohibited that. But the Mexico City policy, promulgated at the U.N. conference in 1984, cuts off United States family planning assistance to those organizations who use their own funds—funds from private sources—to even tell a woman she has the option of choosing an abortion.

I believe that abortion is a completely private matter—a matter for individual decision, not Government—and that Government should not encourage it, by funding or otherwise, nor discourage it, but leave this highly personal matter to personal choice without Government interference of any type.

But to obviate demand for abortion we need vigorously to support and promote voluntarily family planning—contraception, so that unwanted pregnancies are minimized. Prior to 1984 international organizations offering voluntary family planning services worldwide were receiving U.S. support and funds. Now those funds are cut off in a misguided effort to prevent abortion, but the only effect is to deny to the neediest women in poor countries across the world American funds for family planning. It is a bankrupt policy, Mr. Chairman, one that merely serves to push people, denied legitimate contraceptive means and services, toward the very practice it seeks to avoid, abortion.

Mr. Chairman, the strongest means of preventing abortion from becoming

a birth control method is family planning. Our support for family planning should be massive and worldwide, and America should resume its rightful bipartisan position maintained for 25 years under administrations of both parties of leadership.

I wage support of the Berman-Snowe-Myers-Atkins amendment.

Mr. BERMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Again, as with the previous debate and the vote which everyone in this Chamber recently voted on, we have been dealing so far in this segmment of the argument more with symbols than with substance.

The Mexico City policy, with or without the Smith amendment, does not support abortion, nor does its removal as the mark of the committee would do permit abortion, nor would any United States funds pay for abortion worldwide or anywhere else. That is not what is at stake despite the continuous arguments from the other side that make it sound that way.

What we really are questioning here with the Mexico City policy is whether or not private organizations that are in the business of family planning, having nothing to do with abortion in the family planning, are allowed to receive United States funds for nonabortion-related family planning services, contraception, et cetera, if with their own funds they discuss abortion. This is exactly the gag rule question which has just been decided. If you would like the gag rule for American organizations, then perhaps you should vote for Smith. If you do not think the gag rule makes sense, and I do not, because it, in effect, requires doctors to practice political medicine, to violate the Hippocratic Oath which they have sworn, to give their patients all the options, but there is one option now that they may not discuss even if it is in the patient's medical interests, they you should, if you feel as I do, you should not vote for the Smith amendment.

But one point should be remembered by all as they go down to the well to vote. The amendment offered by the gentleman from New Jersey [Mr. SMITH] would apply a double standard. The amendment offered by the gentleman from New Jersey [Mr. SMITH] would say that what we do for government organizations overseas in Bangladesh, China, or India is one thing, because we do not apply the Mexico City policy to them under Smith, but only to private organizations, and for a group which says that private organizations are the answer to human needs, I ask why would we want to disadvantage a good many private organizations in order to help governments. We should apply the same standard to both organizations, which the Smith amendment does not do.

Support the Atkins amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume just to remark that the reason why we provide those governments with family planning dollars is because those governments have a monopoly.

There are not, in my knowledge, any countries that have two standing governments, but there are a number of NGO's who are eligible, who could provide the professional family-planning services, who we feel ought not to be promoting abortion as a method of family planning.

Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I am going to call for a vote on this, and I assume it will rather closely mirror the last vote, but I guess that my desire is to see where people stand. I think some Members on the other side would agree, let us get Members on the record and make this an exciting election next year.

I do believe that perceptions and symbols are important. What people are saying, if they try to change the Mexico City charter, is that abortion is a part of family planning. I repeat what I said earlier in the well, I do not know of an elected official who has the courage of conscience or conviction to say what a lot of people in the abortion cult across this country are saying, that there is nothing wrong with abortion as backup family planning, particularly if your country has 1,250,000,000 people in it, which is the last semiaccurate count on China.

The Mexico City policy will be supported by the President. It makes everything we do on this foreign bill irrelevant.

Mr. BERMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of the Berman-Meyers-Snowe-Atkins amendment. I proudly go on the record in support of this.

Mr. Chairman, I rise in strong support of the Berman-Meyers-Snowe-Atkins amendment and welcome this opportunity to be "on the record" in opposition to the Mexico City policy which I view as the international equivalent of an unenlightened gag policy.

It concerns me, as it should concern us all, that the United States appears to be moving in exactly the opposite direction of that which is to be desired if we are to responsibly address one of the most serious problems facing the world today, that of overpopulation.

To be blunt about it, withholding vital information on family planning services is just plain wrong.

Try as opponents of this amendment might, there is no way one can legitimately claim that this is a proabortion amendment. It is not. What it is is a profamily planning amendment and because it is I proudly identify with it and urge all of my colleagues to lend their support.

We are privileged, as Members of this body, to have available the counsel of some of the wisest people in the world as we proceed with our deliberations.

I recall recently having a breakfast meeting with Jacques Cousteau and I still vividly recall the impact of what he had to say. Among other things, Captain Cousteau opined that the most serious environmental global issue today is that of overpopulation and he reported he is commiting the rest of his life to addressing that most serious challenge.

The world's population is growing at an unprecedented rate. By 2025, it is expected to rise between eight and ten billion. Overpopulation is one of the greatest causes of worldwide environmental degradation, dwindling natural resources, urban poverty, migration, and malnutrition.

Annually, 1 million women die of complications resulting from a pregnancy. Millions more children die of starvation. Tens of millions more unwanted pregnancies occur. Doesn't it make sense, for so many valid reasons, for the United States of America to encourage family planning programs. The answer is clearly yes. We must reverse the ill-advised Mexico City policy and we must not tolerate the cutting off of funds for the International Planned Parenthood Federation.

I close as I began, urging support for the Berman-Meyers-Snowe-Atkins amendment. Vote yes for family planning.

Mr. BERMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, one of the most important forms of aid we provide to other countries is family planning assistance. No one can deny that the need for family planning services in developing countries is urgent and the aid we provide is both valuable and worthwhile.

The committee's version of the bill reverses a repugnant policy which has been in place since 1985. Let us not mince words about what the international gag rule does. It says that in order to receive U.S. funds, private international family planning organizations must withhold the truth about the medical options available to women. They must conceal information about the option of abortion from pregnant women even in cases where health problems might endanger a woman's life and even if non-U.S. funds are used to provide this information.

No matter what its proponents say, this gag rule has not led to a reduction in the incidence of abortion in developing countries. Instead, it has increased the risk involved in this procedure. In fact, by cutting funding available to family planning organizations that is used to help women avoid unintended pregnancies, more abortions may very well result. The organizations that serve developing countries need and deserve our help not more obstacles. I urge my colleagues to consider the facts: Worldwide at least one woman dies from pregnancy, childbirth, or induced abortion every 60 seconds; and

pregnancy-related complications including non-medical abortions are the leading cause of death for teens ages 15–19.

Let us face the facts. Around the world women are dying from a lack of family planning.

Those who would gag doctors and nurses also contend that abortion is being promoted as a method of family planning. This is simply untrue. None of the international family planning organizations promotes abortion. Instead, these organizations are there to offer women the choices, education, and opportunities to make their own private decisions about the size of their families.

It is time to stop the misinformation campaign being promoted by this administration and antichoice extremists. As the leader of the free world, the U.S. cannot continue to advance censored and unethical medical advice.

Let us be clear. The language currently included in the foreign aid bill makes no changes in the existing prohibitions against abortion. It does not allow U.S. funding of abortions or abortion information. It merely allows private family planning programs in the world's poorest countries to use their own funds as they see fit, and still accept desperately needed U.S. support for family planning services.

Some of us hoped that the Supreme Court would reject this ill-conceived policy, but that did not happen. Earlier this month, the Court let stand the international gag rule when it refused to hear a case challenging the Mexico City policy.

Congress must stand up where the Court has not. We must reverse this ban on free speech and remove these infringements on the right to choose. Women's health is in jeopardy. I urge my colleagues to join us in protecting access to a full range of family planning services for women and their families regardless of their economic condition or nationality. I urge you to protect the committee language and defeat this amendment.

Mr. BERMAN. Mr. Chairman, I yield myself 30 seconds, the remainder of my time.

Mr. Chairman, no matter how many times they say it, it is not the case. The amendment is very clear. Under this amendment, if it passes, the Helms law remains on the books. No funds may be available to any foreign nongovernmental organization which uses or if such funds were made available would use funds provided by the U.S. Government to perform or actively promote abortion as a method of family planning. All we are saying is apply the same standards for their own money we apply for the foreign governments.

For the people who are willing to go to fight for the sovereignty of other countries, for the people who are willing to have United States troops stationed in Iraq to protect the Kurds, notwithstanding arguments of sovereignty, do not make a phony distinction between foreign governments and nongovernmental organizations.

I urge an "aye" vote on the amendment.

□ 1430

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The question is on the amendment offered by the gentleman from California [Mr. BERMAN] to the amendment, as amended, offered by the gentleman from New Jersey [Mr. SMITH].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DORNAN OF California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 222, noes 200, not voting 9, as follows:

[Roll No. 149]

AYES—222

Abercrombie	Espy	Lantos
Ackerman	Evans	LaRocco
Alexander	Fascell	Leach
Anderson	Fawell	Lehman (CA)
Andrews (ME)	Fazio	Lehman (FL)
Andrews (NJ)	Feighan	Levin (MI)
Andrews (TX)	Fish	Levine (CA)
Atkins	Flake	Lewis (GA)
AuCoin	Foglietta	Long
Bacchus	Ford (MI)	Lowey (NY)
Bellenson	Ford (TN)	Machtley
Berman	Frank (MA)	Markey
Boehlert	Franks (CT)	Martinez
Boucher	Frost	Matsui
Boxer	Gallo	McCloskey
Brewster	Gejdenson	McCurdy
Brooks	Gephardt	McDermott
Browder	Geren	McHugh
Brown	Gibbons	McMillen (MD)
Bryant	Gilchrest	Meyers
Bustamante	Gilman	Mfume
Campbell (CA)	Glickman	Miller (CA)
Campbell (CO)	Gonzalez	Miller (WA)
Cardin	Gordon	Mineta
Carper	Gray	Mink
Carr	Green	Molinari
Chapman	Guarini	Moody
Clay	Hamilton	Moran
Coleman (TX)	Hatcher	Morella
Collins (IL)	Hayes (IL)	Morrison
Collins (MI)	Hefner	Mrazek
Condit	Hoagland	Murphy
Conyers	Hobson	Nagle
Cooper	Horn	Neal (NC)
Coughlin	Horton	Nichols
Cox (IL)	Houghton	Oakar
Coyne	Hoyer	Olin
Cramer	Hubbard	Owens (NY)
Darden	Hughes	Owens (UT)
DeFazio	Jacobs	Pallone
DeLauro	Jefferson	Panetta
Dellums	Jenkins	Patterson
Derrick	Johnson (CT)	Payne (NJ)
Dickinson	Johnson (SD)	Payne (VA)
Dicks	Johnston	Pease
Dingell	Jones (GA)	Pelosi
Dixon	Jones (NC)	Peterson (FL)
Dooley	Jontz	Pickett
Downey	Kaptur	Pickle
Durbin	Kennedy	Porter
Dwyer	Kennelly	Price
Dymally	Kleczka	Pursell
Eckart	Klug	Rangel
Edwards (CA)	Kolbe	Ravenel
Edwards (TX)	Kopetski	Reed
Engel	Kostmayer	Richardson
Erdreich	Lancaster	Ridge
Rose	Slaughter (NY)	Traficant
Rowland	Smith (FL)	Unsoeld
Roybal	Smith (IA)	Upton
Sabo	Snowe	Valentine
Sanders	Solarz	Vento
Savage	Spratt	Visclosky
Sawyer	Stark	Washington
Scheuer	Stokes	Waters
Schiff	Studds	Waxman
Schroeder	Swift	Weiss
Schumer	Synar	Wheat
Serrano	Tanner	Williams
Sharp	Thomas (CA)	Wilson
Shays	Thomas (GA)	Wise
Sikorski	Torres	Wolpe
Sisisky	Torricelli	Wyden
Skaggs	Towns	Zimmer

NOES—200

Allard	Harris	Peterson (MN)
Annunzio	Hastert	Petri
Applegate	Hayes (LA)	Poshard
Archer	Hefley	Quillen
Armey	Henry	Rahall
Baker	Herger	Ramstad
Ballenger	Hertel	Ray
Barnard	Hochbrueckner	Regula
Barrett	Holloway	Rhodes
Barton	Huckaby	Riggs
Bateman	Hunter	Rinaldo
Bennett	Hutto	Ritter
Bentley	Hyde	Roberts
Bereuter	Inhofe	Roe
Bevill	Ireland	Roemer
Bilbray	James	Rogers
Bilirakis	Johnson (TX)	Rohrabacher
Bliley	Kanjorski	Ros-Lehtinen
Boehner	Kasich	Roth
Bonior	Kildee	Russo
Borski	Kolter	Sangmeister
Broomfield	Kyl	Santorum
Bruce	LaFalce	Sarpalius
Bunning	Lagomarsino	Saxton
Burton	Laughlin	Schaefer
Byron	Lent	Schulze
Callahan	Lewis (CA)	Sensenbrenner
Camp	Lewis (FL)	Shaw
Chandler	Lightfoot	Shuster
Clement	Lipinski	Skeen
Clinger	Livingston	Skelton
Coble	Lowery (CA)	Slattery
Coleman (MO)	Luken	Slaughter (VA)
Combest	Manton	Smith (NJ)
Costello	Marlenee	Smith (OR)
Cox (CA)	Mavroules	Smith (TX)
Crane	Mazzoli	Solomon
Cunningham	McCandless	Spence
Dannemeyer	McCollum	Staggers
de la Garza	McCrery	Stallings
DeLay	McDade	Stearns
Donnelly	McEwen	Stenholm
Doolittle	McGrath	Stump
Dorgan (ND)	McMillan (NC)	Sundquist
Dornan (CA)	McNulty	Swett
Dreier	Michel	Tallon
Duncan	Miller (OH)	Tauzin
Early	Moakley	Taylor (MS)
Edwards (OK)	Mollohan	Taylor (NC)
Emerson	Montgomery	Thomas (WY)
English	Moorhead	Thornton
Fields	Murtha	Traxler
Gallegly	Myers	Vander Jagt
Gaydos	Natcher	Volkmer
Gekas	Neal (MA)	Vucanovich
Gillmor	Nowak	Walker
Gingrich	Nussle	Walsh
Goodling	Oberstar	Weber
Goss	Obey	Weldon
Gradison	Ortiz	Whitten
Grandy	Orton	Wolf
Gunderson	Oxley	Wylie
Hall (OH)	Packard	Yatron
Hall (TX)	Parker	Young (AK)
Hammerschmidt	Paxon	Young (FL)
Hancock	Penny	Zeliff
Hansen	Perkins	

NOT VOTING—9

Anthony	Hopkins	Rostenkowski
Aspin	Lloyd	Roukema
Davis	Martin	Yates

□ 1451

The Clerk announced the following pair:

On this vote:

Mrs. Roukema for, with Mr. Davis against.

Messrs. McCANDLESS, DOOLITTLE, ZELIFF, and RIGGS changed their vote from "aye" to "no."

So the amendment to the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. McDERMOTT). The question is on the amendment offered by the gentleman from New Jersey [Mr. SMITH], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Page 62, line 11, strike out "spend" and all that follows through the end of line 25 and insert in lieu thereof the following:

agree to use its best efforts to encourage importers, whenever feasible, to purchase United States grain and other agricultural products and to employ United States-flag vessels.

Page 63, strike out line 7 and all that follows through line 19 on page 64 and insert in lieu thereof the following:

"(d) EXEMPTION.—This section shall not apply to any country that receives cash transfer assistance under this chapter of less than $25,000,000 for a fiscal year.

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

Mr. BEREUTER. I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I rise to thank all of the individuals who are involved in this very important amendment for agreeing to a time limitation.

I therefore ask unanimous consent that all debate on this amendment and amendments thereto conclude in 40 minutes, 20 minutes to be controlled by the gentleman from Michigan [Mr. BROOMFIELD] and 20 minutes by myself.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, this amendment would require aid recipients to make the best effort to buy American and ship American. It would restore the Israeli eligibility for cash transfer assistance and give other countries the opportunity to comply by following the same rules followed by Israel with respect to ESF funds. It would prevent a reduction in U.S. exports caused by the Torricelli language. And this is crucial to dairy products, wood, manmade fibers, woven fabrics, fertilizers, coal, iron, steel, auto, auto parts, tires, tobacco, and many other manufactured goods.

The Torricelli language now found in section 1303 hurts our Economic Support Fund Security Assistance Program. It restricts America's ability to respond to rapidly changing events in the world. It imposes cargo preference laws on cash transfers at the expense of other important U.S. industries on small businesses. It imposes bureaucratic redtape on private commercial transactions; it reduces U.S. exports and adversely affects cash transfer recipient countries which are strategic allies, including Israel and Egypt, or countries that are extremely poor countries.

It is important to note, particularly for the benefit of our foreign assistance opponents who want all appropriations to stay at home, that section 1303 does not require the cash transfer be spent in the United States on U.S. goods; only that U.S. ships are guaranteed additional foreign assistance dollars. In fact, section 1303's end effect will be to reduce our sale of goods abroad and, therefore, reduce the net amount of U.S. exports generated by the Foreign Assistance Program.

Israel, a vital strategic ally of the United States, is not exempt despite the fact that section (d)(2), which has been carried over in virtually identical form from Torricelli amendments the previous years, is intended to exclude them and in fact once excluded them.

Other important ESF recipient countries, including Pakistan, the Philippines, Portugal, Turkey, El Salvador, Honduras, Nicaragua, Bolivia, Colombia, and Peru are also affected and the limitations with respect to ESF funds would affect them because they receive over $25 million in ESF funds per year.

All of these are affected by ESF, by section 1303. And if you take those countries, you will find that all of those countries already import a great amount from the United States, far more than we import from them and they import far more from the United States than they receive in ESF. In fact, the favorable balance of trade for us related to their ESF receipts is about 14 or 15 to 1.

For those and many, many other reasons, I think it is important that my colleagues here on the floor understand the depth of the problems created by the Torricelli language. It greatly expands the coverage of cargo preference. Therefore, I urge my colleagues to support the amendment that I am offering for myself, for the distinguished gentleman from Wisconsin [Mr. OBEY] and the distinguished gentleman from Minnesota [Mr. OBERSTAR].

Section 1303 says that before a country can receive an ESF cash transfer from us, they must enter into an agreement requiring them to spend an amount equal to the amount of the cash transfer, that is not necessarily the actual cash transfer dollars on U.S. goods and services. Further, they must agree to ship 50 percent of those goods on American ships which are not competitive; they are almost twice as expensive as foreign ships.

In addition, the President would be required to somehow manage all these transactions and make sure that the prices of the goods were fair, that is price fixing, that the points of sale were equitably distributed throughout the United States, and that the ports of departure for the ships carrying the goods sold are also equitably distributed throughout the United States. Similarly, the GAO would have to get access to sovereign foreign governments' records to audit this unworkable system.

The only ESF cash transfer-recipient countries exempted from all these requirements are those who will receive less than $25 million. They are exempted in recognition of the fact that section 1303 imposes a burden on them, and most of them are so poor and underprivileged—per capita income rates a fraction of our own, high infant mortality rates, low education rates, skyrocketing population growth rates—that they were spared that burden.

There are so many problems posed by section 1303 that it is necessary to look at them one at a time.

IT HURTS THE ESF PROGRAM

It applies to and hurts the Economic Support Fund [ESF] Program, which is now called Economic Support Assistance in the bill. Section 1301 of the bill on page 61 describes why we give this assistance and why it is so important:

Under special economic, political, or security conditions, the National Interest of the United States may require economic support for countries in amounts that could not be justified under section 1201 on development assistance. In such cases the President is authorized to furnish assistance to countries and organizations in order to promote economic and political stability.

ESF is supposed to be a flexible assistance tool for promoting economic and political stability in developing countries in which the United States has especially strong security and foreign policy interests. ESF cash transfers can be used to provide immediate balance of payments support to key countries or provide grants to finance general imports rather than specific projects. The economic support fund is also often used to finance infrastructure and other capital projects—using U.S. components—necessary for long-term economic development and to support smaller projects that more directly address the basic human needs of the poor. In addition, under one part of the existing ESF program, known as the Commodity Imports Program [CIP], the funds for the ESF-recipient country are released by the United States only for specific purchases of U.S. goods and services.

But the CIP is only one small part of ESF because ESF is not and should not be designed for the singular purpose of promoting U.S. exports; rather, it is designed to be used for multiple purposes, all of which further U.S.

foreign policy and national security interests, which include, but are much broader than, economic.

Countries forced to direct large percentages of their domestic expenditures to security concerns often lack the resources to support vital economic development programs. Balance of payments supports—cash transfers—can have a powerful effect on the welfare of the poor. Imports of raw materials, manufacturing and agricultural inputs, and other essential goods-again, often from the United States can help sustain the level of economic activity and growth, and the political stability on which much employment throughout these economies depends.

The bulk of ESF is used to support the Middle East peace process. Israel has used cash transfers from ESF to address inflation and balance of payments problems. They have also used cash transfers to repay debt owed to the United States and to purchase goods from the United States. Egypt has benefited from cash transfers which have encouraged long-term development activities while also permitting the large scale import programs necessary to maintain growth rates and to allow the Egyptian people to experience tangible benefits from the peace process.

The following countries are expected to receive ESF cash transfers in fiscal year 1992 but are exempt under subsection (d)(1) of section 1303 because they will receive less than $25 million: Cote D'Ivoire, Djibouti, Thailand, "South Pacific Regional," Jordan, Costa Rica, Dominican Republic, Guyana, Jamaica, Haiti, Caribbean Regional, and Guatemala.

Cash transfers under ESF must be quick disbursing in order to be effective foreign policy tools. They finance balance of payments and economic stabilization programs, frequently in a multidonor context, allowing us a rapid response to the needs of recipient countries in financial difficulties, for example, newly emerging democracies such as Nicaragua. Unlike ESF commodity import programs and project assistance that transfer hard currency—United States dollars—resources only as the activity is implemented, cash transfers can provide fast disbursing financial assistance to countries in need of immediate balance of payment support to cushion the transition to a democratic government.

In those cases where the cash transfer recipient country does not have funds of its own with which it could purchase U.S. goods as required by section 1303, it would have to use the actual cash transfer to do so. This means not only that the cash transfer would not be available for its intended, valuable uses, for example, for use as balance of payments—but also that the fast disbursing nature of the program is lost—it is transformed into a commodity import program—because the funds would not be provided to the recipient country until the U.S. goods had been purchased by them and shipped to them.

Adding another purpose to the ESF Program reduces its flexibility and detracts from the many valuable foreign policy purposes it already serves, purposes which are equally in the national interest of the United States.

All cash transfers, by law, are deposited into a separate account. We know where they go and how they are used. Proponents of section 1303 often argue to the contrary, implying that section 1303 has the added benefit of somehow assuring more accountability in the ESF Program.

IT HURTS PRIVATE COMMERCIAL TRADE

Contrary to what one might suppose, the recipient government itself does not necessarily use the cash transfer for purchases or other uses on its own account. Usually, the recipient government, through the central bank, sells those dollars to private sector businesses in the country—in exchange for the country's local currency—who in turn use them to buy goods and services needed in the country's economy. These goods and services are frequently purchased from the U.S. private sector, and the United States otherwise indirectly benefits as these allied trading partners improve their own economies with the cash transfers, making them better buyers for our goods overall. Similarly, if the cash transfer is being used to restructure their multilateral debt in order that they may receive future World Bank or IMF support, their economies are thus improved, and they become better markets for U.S. goods and services, that is the United States still benefits.

Section 1303 necessarily applies to private commercial transactions because, as noted above, it is the private sector in the aid-recipient country that usually uses the cash transfer dollar to buy goods from the U.S. private sector. Private commercial transactions are covered by section 1303 additionally because the statutory language clearly and unequivocally requires "a country"—not the narrower "a government"—to spend an amount "equal to the amount of the cash transfer"—that is, not necessarily the cash transfer dollar itself—to purchase U.S. products, which usually come from the U.S. private sector.

Section 1303 would still be highly objectionable to the administration—cargo preference, by the way, is singled out in the statement of administration position suggesting a veto of the bill—if it were amended to apply only to purchases made from the United States by the recipient government itself. This is because the government would have only two choices—both of them bad. It could either use the actual cash transfer to buy U.S. goods instead of for its intended, equally valuable purpose—for example, Panama's cash transfers and other donors' aid is used for debt restructuring vital to their economy and reemerging democracy—or, since governments usually don't need to buy much on their own account, it could develop a more government-centralized economy and usurp the private sector's role—and the hard currency in the country—as the buyer and seller of any number of inputs needed for economic production. For example, all fertilizer would be bought—and resold and controlled—by the government.

Section 1303 does not require the actual cash transfer dollars to be spent in the United States. It specifically states—page 62, line 13—"Nothing in this section, however, shall prevent a country from purchasing, with the United States cash transfer assistance, goods or services produced in that country." As noted above, even if it did so require, it would still be highly objectionable as a restriction of cash transfer utility and an inducement toward establishment of inefficient, parastatal economies abroad.

IT HURTS U.S. EXPORTS

Another problem with section 1303 is that it will not otherwise increase U.S. exports to cash transfer-recipient countries. As noted in the administration position paper opposing section 1303, each one of the affected countries already buys far more in U.S. goods and services than it receives from us in cash transfers. The only exception, Nicaragua, is an abberation because trade with that country was suspended in recent years. Thus, section 1303 does not right some egregious wrong that is being done to the United States by those to whom we give cash transfers. They are already excellent trading partners, not to mention strategic allies.

In fact, we will have fewer exports if section 1303 is enacted. This is true because 50 percent of any goods purchased from the United States by the recipient country's government or in its private sector commercial transactions must be shipped on American vessels. This is the so-called cargo preference requirement that is in section 1303, albeit obscurely since the words "cargo preference" never appear. The words—p. 62, line 19—"United States Goods purchased pursuant to such an agreement shall be deemed to have been furnished in connection with funds advanced by the United States." trigger cargo preference.

It costs almost twice as much to transport goods on these American ships, so more of the cash transfer or, as the case may be, the country's own money is used up to pay the costs of shipping the goods instead of buying more of the goods themselves.

Every dollar that has to be spent on the higher shipping costs is a dollar less that is spent on the U.S. commodity itself.

CARGO PREFERENCE HURTS MANY DIFFERENT PRODUCTS

Section 1303 is bad for business, bad for labor, and bad for the U.S. balance of trade.

The effect of the cargo preference requirement is to reduce, not increase, the amount of U.S. goods that must be purchased by the government or the private sector of the country that receives cash transfers from the United States.

Here is how it works; we are requiring a country to buy U.S. goods and services in an amount equal to the amount of the cash transfer, but in the same breath we are telling them they must spend part of that finite sum on the more expensive American ships to transport the goods they buy from us.

They would have more of that money to spend on U.S. goods if they could transport those goods on cheaper, non-U.S. ships. In 1990, AID paid an average of $59.69 per ton to ship on U.S.-flag vessels and only $30.43 per ton for non-U.S. ships. Thus, the U.S. ships are more expensive; there's much less money for buying the goods.

That there are many different commodities which could be sold abroad in lesser quantities due to the cargo preference requirement in section 1303. This is not an agriculture versus maritime issue as so often seems to be the case in House floor debate on this issue.

The following is a list of commodities that are eligible to be purchased and shipped, and that have at one time or another been pur-

chased and shipped, under the foreign assistance program by AID. These are products which are made in the United States, by American labor and American business, that are also eligible for purchase with the cash transfers covered by section 1303, but which lose sales volume for each dollar of the cash transfer that must be paid for U.S.-flag transportation: dairy products, wood poles, manmade fibers, woven fabrics, fertilizers, coal, iron and steel, boilers, nonelectric motors, and engines, elevators, winches, cranes, and related machinery, rail locomotives and related stock, motor vehicles, ships, boats, and other floating structures, tires, and tobacco and tobacco products.

In addition, here are some examples of U.S. goods that AID actually shipped in calendar year 1990: newsprint from New York, synthetic resins from West Virginia and California, auto parts from Michigan, textile machinery from North Carolina, hand tools from Nebraska, West Virginia coal from corporate headquarters in Oklahoma and Connecticut, steel billets from Illinois, and air-conditioning machinery from Ohio.

The very voluminous AID procurement of goods and services from U.S. suppliers computer printout is available in this Member's office. The printout shows, by city and State, the companies from whom U.S. goods and services were purchased with foreign assistance funds, including Economic Support Funds [ESF], and were shipped abroad for use in our foreign aid program. The vast majority went on ships.

As an example of the breadth of firms which sell goods and services financed under ESF foreign aid, consider just this partial list of such firms in the congressional district of the gentleman from New Jersey [Mr. TORRICELLI]: East Rutherford, National Audio Visual Center; Englewood Cliffs, Chick Master Incubator Co.; Fair Lawn, Duro Test Corp.; Fair Lawn, Oxford University Press; Hackensack, Ecogen, Inc.; Lyndhurst, The Afro American Purchasing Center; Maywood, Myron Manufacturing Co.; Norwood, American Overseas Book Co.; and Saddle Brook, Equipment Spare Parts. These are companies that produce goods or provide services that AID purchases for its foreign aid program. Every dollar subsidizing the U.S. shipping industry under cargo preference is a dollar less than can be spent purchasing goods from companies such as these.

Members who think that more expensive U.S. cargo preference costs hurt only agriculture commodity sales will be surprised at the wide variety of other American commodities and services that are already being purchased with development assistance and ESF, and which would be eligible for purchase with ESF cash transfers covered by section 1303.

This listing of American companies is a revelation in two ways; it shows how the foreign assistance program benefits our own economy generally, and it also shows in stark detail just how many different companies—from virtually every State in the Union—could be affected by section 1303's expansion of cargo preference requirements.

The commodities referred to above are also typical of the American products which these countries buy with their own money. But under section 1303, these commercial sales would become subject to cargo preference—so the U.S. sales volume would be lost because of the much higher amount that is charged for U.S. flag transportation.

Again, too, the foreign countries that receive ESF for cash transfers from us already buy far more goods and services from us than the amount of the cash transfer they receive.

AID-financed cargoes in 1990 cost an average $59.60 per ton on U.S.-flag ships, almost double the $30.43 per ton on foreign-flag ships. On some commodities, the disparity is even greater. For example, AID-funded corn shipments were charged an average $39.61 per ton for U.S.-flag carriage compared with $17.76 per ton for foreign-flag carriage.

Thus, the U.S. merchant marine already gets a substantial benefit from the foreign assistance program; AID complies with the cargo preference laws that already apply to foreign assistance. Section 1303 constitutes an expansion of cargo preference in foreign aid because it applies cargo preference, for the first time, to ESF cash transfers.

IT HURTS POOR RECIPIENTS

Many ESF cash transfer recipient countries are extremely poor and underprivileged by any standards. They can least afford to pay, as they did in 1990, higher U.S.-flag shipping rates for corn and soy—their nutrition. [AID-financed soy cost an average $59.04 per ton on U.S. ships versus $31.42 per ton on foreign flag vessels.]

The United States has a per capita GNP of roughly $20,000 and a population growth rate of 1 percent [World Bank, "World Development Report 1990"]. The comparison to some of the countries covered by sec. 1303—who must divert many of their dollars from commodities to the higher U.S. merchant marine shipping costs—is startling:

ANNUAL PERCENTAGE

	GNP	Population increase	Infant mortality per 1,000
United States	$19,840	0.8	10
Pakistan	350	3.1	107
Bolivia	570	2.7	108
Philippines	630	1.9	44
Egypt	660	2.3	83

These examples provide some idea of just how unable these countries are to support the added burden of cargo preference on the scarce resources we provide, or on their own scarce resources.

If section 1303 would remain intact, Congress surely should build upon the humanitarian concerns expressed by the author of section 1303 when he exempted certain poorer, less-developed countries from its provisions.

Specifically, Congress could exempt child survival and basic education priority countries, that is, those that have especially high infant mortality rates or low primary-school completion rates. This gentleman has printed such an amendment in the RECORD and will offer it if the Obey amendment, or a similar one is not adopted.

H.R. 2508 already sets standards in section 1101(g) to designate "child survival priority countries," in which the President is directed to establish child survival programs, and "basic education priority countries," in which he must establish basic education programs.

This proposed legislation defines "basic education priority countries" as those where AID has an ongoing development assistance program and in which fewer than 80 percent of primary school-age children in the country complete primary education. The child survival standard is an aid-recipient country with an infant mortality rate of greater than 70 per 1,000 live births. These statistics are collected by AID, the World Bank, and other development professionals.

Any country suffering from either of these deplorable conditions deserves to be exempted on the same logic that created the exemption for countries receiving less than $25 million in ESF [subsection (d)(1)]. To compare a "child survival priority country" with the United States, note that the U.S. infant mortality rate is only 10 per 1,000 live births, according to the 1990 World Bank development report. So the countries that would be helped by applying the standards of section 1101(g) of the bill to section 1303 of the bill are at least seven times worse off than we are, with their 70/1,000 (at least) rate. In the United States, according to World Bank Unesco data, the primary school completion rate is 99 percent, versus the less than 80 percent standard for a "basic education priority country" under section 1101(g).

If under section 1101(g) these categories of countries need special programs from the foreign assistance program, it makes no sense to simultaneously say that they are strong enough economically to pay more of the money they receive from us for cargo preference instead of being able to use all of those funds to buy the agricultural and other commodities they need. These are poor countries.

The countries exempted under the basic education exclusion are El Salvador, Honduras, Bolivia and Pakistan. AID estimates ESF cash transfer levels for fiscal year 1992 of $90 million for Salvador, $43 million for Honduras, and $26 million for Pakistan. The amount for Bolivia is an as yet undetermined portion of the $199 million Andean Narcotics Initiative cash transfer. Under child survival Egypt, Bolivia, and Pakistan would be exempted. Egypt is expected to receive a $185 million cash transfer in fiscal year 1992.

If these countries were exempted, the following countries would still be covered by section 1303: Philippines ($83 million), Turkey ($75 million), Nicaragua ($125 million), Portugal ($40 million), and Colombia and Peru—a portion of the $199 million Andean Narcotics Initiative, to be determined upon certification of narcotics control compliance.

IT CREATES AN UNWORKABLE, ILL-ADVISED, BUREAUCRATIC MONSTROSITY

Whether one supports cargo preference or not, all agree that the Congress owes a duty to the American people to promote free market principles and minimize Government's interference in the private sector.

The requirements of section 1303 are that the President of the United States engage in something that looks a lot like centralized management of the economy and price-fixing.

Specifically, in its present form, section 1303 mandates that the President ensure

where in the United States goods are purchased from, where in the United States they are shipped from, and finally, what constitutes fair prices for those goods.

The relevant language in the bill is as follows:

The President shall ensure that purchases of United States goods pursuant to such agreements, and the ports of departure for those goods, are distributed equitably throughout the United States. The United States goods purchased pursuant to such agreements shall be United States goods which are available in the United States at fair prices for such goods.

This leaves the United States heading backward on free-market economics, ironically at a time in history when the rest of the world is starting to embrace it more than ever before.

Constituents who work for a living in the private sector don't want the Government to set the price and value of their goods or their labor; they don't want Government to say that a buyer can buy from someone in this State but not someone else in another State, or that an east coast price is not fair, but a west coast price is.

Even if it was sound economics to do this kind of thing, it is not at all clear how it could be done. It looks impossible. When the President is forced to make sure that American sellers are distributed equitably, what does that mean? Can he pick those States that voted for him in the last election and ignore those that did not? Are States the unit of measurement that are envisioned, or is equitable distribution of sales to be measured by congressional district, or urban area, or rural area, and so on?

With respect to determining fair prices, there are similar unanswered questions. For example, can the President say, your labor costs of production are too high or too low, therefore the cost of your product is unfair compared to someone else's? How, exactly, does the President avoid price fixing? If the law gives him the power to say what a fair—instead of letting willing buyers and sellers in the free market decide—once he says it, the price is effectively fixed for these transactions.

The Great Lakes do not benefit from the unworkable language in section 1303 that purports to require equitable distribution of ports of departure for the goods in question. The simple fact is that U.S.-flag vessels do not visit upper Great Lakes ports. The distributed equitably language from this bill cannot change that fact; that situation is governed by other, unrelated factors. In other words, any threat posed to Great Lakes ports comes from the application of the cargo preference requirement itself because foreign-flag vessels, which do visit Great Lakes ports, would have less business at those ports as U.S.-flags take an extra 50-percent portion of the overall ocean transportation market. Thus, the current distributed equitably provision is both unworkable and undesirable, given the consensus in favor of free markets and private commercial transactions.

IT LIMITS PRESIDENTIAL WAIVER AUTHORITY

Section 1303 should reinstate an improvement that the gentleman from New Jersey [Mr. TORRICELLI] accepted on the House floor on November 19, 1987, regarding the President's waiver authority, that is, to allow him to use the waiver more flexibly.

The bill in its present form may—it is unclear—allow a waiver only for one country at a time, a process that does not take into account how fast world events change sometimes. It should be clarified so the President would not be bound so narrowly. Instead, as current foreign policy necessities dictated, the President could waive provisions of section 1303 for a group of countries, or a group of commodities, or with respect to a certain provision in 1303 for certain countries only, or invoke a blanket waiver, and so on.

This is much less cumbersome bureaucratically, given that it is a major undertaking to get a Presidential determination through the executive branch system; it serves the national interest to minimize bureaucracy. By the way, the national interest remains the standard the President would have to apply in making his decision. The bill should be unchanged in that respect; but the words "with respect to a country" should be deleted so as to clearly give the President a meaningful amount of flexibility.

AID would not get to decide if there will be a waiver; USDA would not get to decide; the President would. There would be no one-sided perspective allowed to exercise the waiver authority; the Presidential authority to decide remains the same as in the underlying bill, except for the deletion of the five words.

This should not be controversial. Again, the House has adopted it this way, and it was accepted by the gentleman from New Jersey [Mr. TORRICELLI] this way. See the CONGRESSIONAL RECORD, November 19, 1987, p. H10580.

The President must still report the waiver to Congress, which preserves the appropriate oversight role of Congress. The President should have some leeway when he determines and reports that it is in the national interest to use the waiver.

IT DOES NOT EXEMPT ISRAEL

If it was the intent of the gentleman from New Jersey [Mr. TORRICELLI] to exempt Israel from the application of section 1303, the gentleman, according to AID, was unsuccessful. Israel is not exempt from the purview of section 1303.

Subsection (d)(2) may have been intended to exempt Israel, and Israel only, but it does not do so because Israel does not have an agreement with the United States under which Israel agrees to carry 50 percent of all bulk shipments of United States grain on privately owned United States-flag commercial vessels to the extent they are available at fair rates, and to purchase U.S. grain at levels comparable to prior years.

Currently, Israel has agreed with AID that it will use its best efforts to encourage its private sector importers—the Government of Israel no longer purchases grain on its own account—whenever feasible, to purchase U.S. grain and other agricultural products and, whenever feasible, to ship those products on U.S.-flag vessels.

The most recent agreement between Israel and the United States is a document of public record. When it is compared with subsection (d)(2), it is clear that Israel is not exempt from section 1303.

The administration supports an amendment to section 1303 that would apply the same standard—that is, the current Israel side letter agreement—to all cash transfer-recipient countries including—but not limited to—Israel.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon, [Mr. AUCOIN].

Mr. AuCOIN. Mr. Chairman, the pending amendment strikes the Torricelli provision in the bill, and I rise in opposition to the amendment. I want to explain to my colleagues what the Torricelli provisions does. It simply insures that foreign recipients of U.S. cash, cash aid, purchase American goods, American products, American agricultural products, and transfer a portion of these commodities and goods on American-flag vessels.

□ 1500

Presently the recipients of U.S. cash aid are not required to buy and ship American, but are free to spend all of their U.S. cash aid on foreign goods, foreign services, foreign agricultural commodities. The United States has no control over the use of its cash aid, nor is there any tangible evidence of American aid in the recipient nation. The Torricelli provision, which is struck by this amendment and should not be struck, makes a commonsense point that I think Members can agree with, that U.S. cash aid abroad provided by American's taxpayers should be used to purchase American products, should be used to purchase American commodities and services and not to subsidize foreign jobs with American foreign aid.

So, Mr. Chairman, I rise in strong opposition to the amendment that strikes the well-considered Torricelli provision, and I urge my colleagues to strike this provision.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I thank the gentleman from Michigan [Mr. BROOMFIELD] for yielding the time. And I say to my colleagues, I wish you'd listen to this because during the 1980's this Congress built peace through strength and put up one of the strongest national defenses this country ever had. But, when it comes to national defense, a chain is only as strong as its weakest link. Our weakest link is the capability of our merchant marine to support our military operations, especially the new rapid deployment system that we have seen in the Persian Gulf.

Mr. Chairman, what has happened is an absolute disgrace. Thirty years ago the United States of America had 4,000 merchant marine ships ready to go to war if they were needed, and we had a trade surplus in the billions. Surplus. Today we have less than 400 merchant marine ships, and we have trade deficits in the billions.

By contrast, the People's Republic of China 30 years ago only had six merchant ships. Today they have 1,200 and refuse, refuse, to bring their goods here on American-flag ships. They have to use their own ships.

Let me tell my colleagues what happened in the Persian Gulf in case some of them do not know. We had only 41 merchant marine American-flag ships on the ready to carry our troops and supplies overseas to the Persian Gulf. Do my colleagues know that we had to depend on 91 merchant marine ships with foreign flags and foreign crews? And do my colleagues know that crews on 10 of those ships refused to take our troops in there? Talk about readiness.

Mr. Chairman, we need to build a merchant marine fleet in this country. And I say, "Never mind whether you're on the side of labor, or management, or free trade, or fair trade, or whatever it is. You vote for national security here today, and you vote against the Bereuter amendment because that amendment will do more to destroy the remaining merchant marine ships that we do have."

Mr. FASCELL. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I would ask the House to support the amendment of the gentleman from Nebraska [Mr. BEREUTER] which is being offered on behalf of myself, and the gentleman from Minnesota [Mr. OBERSTAR] as well. The amendment is very simple. It simply exempts from the provision of the amendment of the gentleman from New Jersey [Mr. TORRICELLI] any country which has an agreement to use its best efforts to buy American and ship American.

Mr. Chairman, the amendment is supported by the administration, it is supported by AIPAC, it is supported by the Farm Bureau, the Great Lakes Ports Association, the U.S. Chamber of Commerce, and 27 other economic groups interested in exporting.

Now why do they all support this amendment? They support it, first of all, because the amendment of the gentleman from New Jersey [Mr. TORRICELLI] discriminates against the heartland. It discriminates against Great Lakes ports. The problem with the Torricelli amendment is that U.S. bottoms are simply too large to get through the St. Lawrence Seaway, and, therefore, there is no U.S.-flag service on the Great Lakes to speak of, and that means that, if we adopt the Torricelli amendment, we are diverting a very large percentage of shipments from Great Lakes ports to other ports.

That, Mr. Chairman, simply is unfair, and I say to my colleagues, "If you do that, you are incurring an obligation to spend somewhere between $300 million and $400 million to modernize the seaway locks so that we can in fact get U.S. bottoms through the seaway."

Second, recipient countries already meet the standards of the amendment of the gentleman from New Jersey [Mr. TORRICELLI]. They receive only $800 million in aid, but they receive $13 billion, if we are looking at non-Israel recipients. That means that they return in sales of American products, they return to us, 16 times as much as they get.

Third, the problem with the amendment of the gentleman from New Jersey [Mr. TORRICELLI] is that it impacts other commercial sales. The effect of the Torricelli amendment may be to ship more on American bottoms, but we will be shipping less American goods overall because, if we raise the cost of these products because of shipping costs, they are going to be able to buy fewer American products, and that is going to hurt paper, it is going to hurt steel, it is going to hurt textiles, it is going to hurt fibers, it is going to hurt grain, it is going to hurt dairy, it is going to hurt autos. It would be economically stupid to adopt the Torricelli amendment if we want to promote buy America.

Mr. Chairman, I say to my colleagues, "If you want to promote buy America, you should vote for the Bereuter amendment."

Last, what we are doing in this amendment is to assure that countries like Israel may continue to participate in the program, and it will assure that all other countries can participate if they adopt the same kind of side letters which Israel presently has with the United States.

So, in short a vote for the Bereuter, Obey, Oberstar amendment is a vote to require aid recipients to make their best effort to buy and ship on American bottoms; secondly, it would restore Israel's eligibility for cash transfer assistance and give other countries the opportunity to comply following the same rules followed by Israel; and, third, it would prevent a reduction in United States exports which will otherwise be caused by the Torricelli language, which is crucial to the commodities that I just mentioned.

What we are saying in effect by this amendment is by all means aid recipients should be required to buy and ship American to the greatest extent possible, but we are not going to apply that in a way which will snap back and actually reduce American imports by reducing our ability to export auto, steel, coal, grain, dairy, just name it.

I say to my colleagues, "If you don't adopt this amendment, you're not only hurting those industries, you're hurting the taxpayer as well. There's no reason to do that. I urge you to vote for the amendment."

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, I rise in support of the efforts of my colleague from Nebraska, to oppose the expansion of cargo preference provisions in H.R. 2508. Although the cargo preference requirement that 50 percent of Government-sponsored cargos be transported on U.S.-flagged ships may seem like a reasonable proposal, once one learns that U.S. taxpayers, through the U.S. Department of Agriculture, are forced to pay two to four times as much for U.S.-flagged ships as foreign-flagged vessels, one begins to understand how damaging such a provision can be.

This policy has the effect of putting the cost of supporting the merchant marine on the backs of those who can least afford it—the poor developing countries of the world, and the American farmer.

Mr. Chairman, this is an issue of fairness. Congress may believe that our merchant marine needs and deserves our support. But, that support should not come directly out of the pockets of farmers, who comprise less than 2 percent of the U.S. population, or the world's poor and starving people. Neither group should be drowned by this Congress, to single-handedly keep our ships afloat.

In 1990, U.S.-flagged ships charged almost $30 more per ton on the average than did foreign vessels, for a total $21.6 million loss. This $21 million came out of the mouths of the world's poor, and the pockets of the American farmer, to provide smooth sailing for the merchant marine.

Some try to cast cargo preference provisions as pro-American. But in reality, they're anti-farmer, take-it-from-the-poor provisions.

The U.S. has traditionally had a very positive trading balance with the countries that would be affected by this provision, and extending cargo preference to commercial agricultural exports, would be a hurricane assault on U.S. agriculture—decreasing our levels of foreign commodity sales to fill the sails of U.S. shipowners. We should not disadvantage the sector of our economy that contributes so much toward reducing our trade deficit, by unfairly making them pay higher transportation costs.

I urge my colleagues to support the efforts of Mr. BEREUTER. We should not force farmers, and the world's poor, to walk the plank in support of the merchant marine.

Mr. GRANDY. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. Mr. Chairman, I rise today in support of my colleagues amendment to preserve current cargo preference laws. Section 1303 of the Foreign Assistance Authorization Act requires countries receiving ESF (Economic Support Funds) cash transfers from the United States to ship goods under U.S. cargo preference laws. This provision would actually work contrary to its intent. It would reduce U.S. exports, especially agricultural products, which negatively affect the American farmer, including those in my home State of Iowa.

If suppliers are forced to ship their products on U.S. vessels which, on average, cost nearly $30 more per ton than foreign ships, the net effect will be a decrease in the level of exports

to compensate for the funds needed to pay higher transport costs.

The U.S. Department of Agriculture has paid enormous subsidies to ship our grain on U.S.-flag vessels since the inception of cargo preference. There is no doubt that cargo preference hampers the competitiveness of our agricultural exports. We are struggling to reduce the cost of our commodities on the world market, yet we're boosting the cost by requiring them to be shipped on vessels which are often more expensive.

Agriculture is one of America's most internationally competitive industries. Extending cargo preference to commercial agricultural exports is a mistake which would have a tremendously negative impact on the U.S. agricultural industry. Agricultural products positively contribute to reducing our current trade deficit. Expanding cargo preference would eliminate billions of dollars in agricultural exports, and devastate the American farmer.

Furthermore, the economic support fund is designed to be a flexible policy to enhance economic and political stability in developing countries where the United States has a strong interest. The availability of ESF cash transfers to these countries is integral to improving their citizens' quality of life. By allowing the recipient country to use these funds to restructure their multilateral debt, purchase goods and services which enrich living conditions, and invest in capital projects to improve their infrastructure this objective can be achieved. In addition, these goods and services are often purchased from the United States which in turn improves our own economy.

Any changes in current cargo preference laws would adversely effect the competitiveness of U.S. agricultural exports. Our farmers work hard for their income. Let's not make it more difficult by inflicting unwise trade policies on them.

Mr. GRANDY. Mr. Chairman, I am sure it comes as no surprise to this body that I, too, rise in support of the Bereuter-Obey amendment, and I do so because we are once again in this ugly fight that pits about 13,000 American seamen and 4 U.S. shipping companies against 2 million American farmers and hungry children in poor neighborhoods, and there are no real winners here. But let me just kind of review the betting.

Mr. Chairman, it should be noticed that in the last farm bill which this Congress passed last year we cut farm subsidies by 25 percent. We are also, as we debate this bill, determining whether about half of the counties in the United States, agriculturally dependent, will apply for some kind of disaster assistance and receive it. So, we can conceive right now of farm income that is going south on a steady basis.

□ 1510

This amendment, if it does not pass today, will oblige us to take more income from farmers and transfer it through agriculture subsidies to maritime subsidies. Everything that the gentleman from New York [Mr. SOLOMON] has said about the American merchant marine is true. But if that is true, Mr. Chairman, then does that really argue for cargo preference? That is an idea that has not worked. Indirect subsidies do not work. Direct subsidies in agriculture, which have been cut in half since 1985, only work because they have provided us with export markets which we are still trying to hang on to. Cargo preference works against that. It works against farmers, it works against taxpayers.

Mr. Chairman, I urge Members to vote for the Bereuter amendment.

Mr. FASCELL. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I start from the very basic premise: our great country provides lots and lots of foreign aid to many, many countries, and it seems to me that we do it because in America we realize that we have an interest in what goes on in the world. But it would seem to me that it is absolutely basic to say that if we are going to send foreign aid to other countries, that some of it ought to be returned to us.

Mr. Chairman, I rise to oppose the amendment, because I think to say that 50 percent of the aid has to be purchased with American products on American ships, that is not too much really to ask. The cash transfer provisions contained in the foreign assistance authorization bill were negotiated, with a lot of deliberation in the Committee on Foreign Affairs. It stipulates that any country receiving cash transfers from the United States must purchase an equal amount of goods and services from the United States.

Mr. Chairman, that is not asking too much. That ought not be changed. It is time that we started thinking about what is good for America.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Maryland [Mrs. BENTLEY]. S0634

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman from Michigan for yielding.

Mr. Chairman, I never can understand why we can always support the agriculture industry, but never the American merchant marine. It is the same old story, year-in and year-out, from those in the farming community: We can sell more if we do not use American flagships.

Well, if you want to give more grain to the foreign sources, then let them buy from foreign sources. Then we do not have to worry about how it is going to move or who is going to benefit from it.

Mr. Chairman, the reason that we are hurting in this country is that we have been too generous with our foreign aid, and we have not tied strings to it, like every other country has when they give foreign aid. Let us let Americans benefit when taxpayer dollars are used. Americans are the ones who should profit from it, not everybody else in the world.

Mr. Chairman, one other thing on using American flagships. This helps to balance out our trade deficit. When you use foreign flagships, again you get more in the red.

Somehow, when we, the Federal Government, give money to the States, we tie all kinds of strings to it. We tell them how they should spend it, what they should do, and the speed limit they can go. Why can we not and why should we not apply the same rules to those nations to whom we are giving away funds to help them? Let them buy and use American, all the way.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Chairman, as much as I have high regard for my good friend, the gentleman from Nebraska [Mr. BEREUTER], I rise in the strongest possible opposition to his amendment. I find it incomprehensible that the United States, the most generous nation on this planet, cannot get some benefit from the foreign aid it gives.

Mr. Chairman, I find it incomprehensible that somehow it has become obscene to help our own merchant marine. I believe it is mind-boggling that while every nation which participates in a foreign assistance program ties that aid in a complex variety of ways to purchases of its own goods and own products and own services, we somehow find it inappropriate to benefit American manufacturers and the agriculture industry and services, and, yes, shipping, with our foreign aid dollars.

Mr. Chairman, it seems to me that the very least we can do as we provide governments with foreign aid, after assuring that it is in our own national interest, is that we insist that some of that aid be spent, so that American working men and working women continue to have jobs, and, yes, that includes the shipping industry.

Mr. Chairman, my feeling is that in extreme situations, where we are dealing with a human crisis like the earthquake in Armenia, the plight of the Kurds, or the tragedy in Bangladesh, it is not reasonable to tie our aid to anything. But the aid we are dealing with is ordinary aid, ordinary economic assistance. This should be tied to purchases in the United States, and I do want our merchant marine to benefit from it.

Mr. Chairman, I strongly urge a "no" vote on the Bereuter amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, I rise in support of the Bereuter amendment.

The proponents of the cargo preference measure would have you believe

that this is an issue of whether or not recipients of U.S. aid buy American products. That is not the issue.

Recipients of aid already purchase 13 times more in American goods and services than they get in cash transfers. The only issue we are dealing with today is whether or not we are going to raise the price of American products to these recipient countries. Make no mistake, section 1303 raises the cost of shipping all American manufactured goods, not just agriculture. Steel, iron, machinery, chemicals, many industrial products, and of course, coal—all will be hit hard by this provision.

The cargo preference provision is unfair because it creates the impression that the nations who receive U.S. cash transfers will purchase more U.S. products. In fact, just the opposite is true. Total exports to these countries will decrease because in paying for the higher cost of U.S. shipping, the cash transfer countries will have less money to purchase U.S. goods. It is just that simple.

For our Nation's coal producers, this provision is simply disastrous. Inevitably, expanded cargo preference requirements over time will wipe out millions of dollars in commercial export sales for U.S. coal. In fact, the Commerce Department estimates that if the cargo preference provision is implemented it would more than double the price of shipping coal to these countries. Last year, the nations of Egypt, Portugal, Turkey, Ireland, Pakistan, and the Philippines purchased a total of 4.6 million tons of coal, valued at $203 million. If implemented, the additional cost to the purchasing countries would total $31.7 million—making U.S. coal clearly uncompetitive.

The underlying purpose of section 1303 is not to increase U.S. exports, but to extend cargo preference requirements on commercial cargo. That would be disastrous for agriculture, coal, steel, machinery, iron, and other bulk goods because U.S.-flag ships charge nearly twice the rates charged by foreign flag ships.

I wish to close by saying that our coal producers and our Nation's farmers have worked hard to improve our standing in an incredibly competitive world market.

Section 1303 runs counter to efforts of increasing American exports. It is bad for coal, bad for agriculture, bad for our balance of trade, and bad for the children of the countries that receive our foreign aid in the form of cash transfers.

I urge Members to support the Bereuter amendment.

□ 1520

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. MARLENEE].

Mr. Chairman, I would like to make a few very simple and brief observations during this debate. The question is whether or not Members of this Congress will expect recipients of U.S. taxpayer cash assistance to use that cash for the purpose of purchasing commodities, products, and services from our own country. The alternative is to allow these beneficiaries of American generosity to use our money to buy from our overseas competition.

For the life of me, I cannot understand why we are even having this debate. It would seem such a simple proposition to say to these cash foreign aid recipients that they must use our taxpayer dollars to purchase U.S. goods and services.

The other side of the argument says in effect, "Here Mr. Businessman, your plant in New Jersey makes widgets. We're going to take your tax dollars, give them to a foreign country, and allow that country to buy widgets from Japan." Or, "Here Mr. Farmer, you grow soybeans. We're going to take your tax dollars, give them to a foreign country, and allow that country to buy soybeans from your competitors in Brazil, or rapeseed from the European Community." What sheer lunacy. No wonder the taxpayers of this country are fed up with a system that taxes them to death, and at the same time uses some of those tax dollars to reduce their profits or even drive them out of business.

Finally, Mr. Chairman, I would like to address a few remarks to my friends and colleagues who are interested in agriculture. Many of us have been engaged in a lengthy effort to convince the administration to grant an additional line of credit to the Soviet Union for the purpose of purchasing United States agricultural products. The credits we sought amounted to about $1.5 billion, a sizable amount indeed. But the potential for additional U.S. agricultural sales contained in the legislation before us today dwarfs that amount if we simply require the recipients of cash assistance to buy U.S. products with the money.

In that regard, I believe the principle of fairness and equity demands that sectors of the domestic industry other than agriculture should also benefit from additional sales of American products and commodities. It seems only fair that, if we are going to generate additional sales of farm commodities through our cash assistance, then we should also generate additional business for our hard-pressed merchant marine fleet and the men and women who sail those vessels. Fair is fair.

Some of my closest friends on this floor would argue that by requiring recipients of U.S. cash assistance to use U.S. merchant vessels for transportation we will reduce the amount of goods and commodities they will be able to afford. I would reply—so what? These recipients aren't using most of the money we give them to buy any U.S. products anyway. Any additional sales will be an increase, and I think it is highly selfish and unfair for us to refuse to share some reasonable portion of increased business with other vital sectors of the economy, especially the merchant marine.

Mr. Chairman, I strongly support the notion that we should require cash assistance recipients to buy American, and I also feel strongly that fairness demands a portion of the benefits should flow through to our own domestic transportation industry when those goods are shipped overseas.

Mr. MARLENEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. KLUG].

Mr. Chairman, I rise today in support of the Bereuter amendment encouraging countries which receive cash transfer assistance to buy U.S. products and use U.S. ships to transport them.

Mr. Chairman, this amendment will prevent damage caused by new, mandated cargo preference requirements imposed by Torricelli language in this bill. My State of Wisconsin and other Great Lakes States are painfully aware of the terrible price our economy pays every time a cargo preference requirement is forced upon us. In the past, we have lost millions of dollars and many jobs to preference requirements thrust upon Government food shipments in the Public Law 480, Food for Peace Program. Luckily, we are getting some relief from an agreement reached in the 1990 farm bill.

Now, however we are being threatened again with preference requirements that will choke off Great Lakes and Saint Lawrence Seaway trade without enhancing any exports. Presently, there are few U.S.-flagged vessels that can service the Great Lakes ports of the Midwest. The proposed cargo preference requirements will unfairly force commercial shipments away from America's fourth coast to other ports. This will cost millions of dollars and many jobs ranging from dockworkers to those who work in the agricultural sector in my district. Equally devastating, the proposed increase in cargo preference requirements will scuttle reinvestment by those countries who utilize the cash transfer program and will artificially raise the price of agricultural goods.

To give an example of how much cargo preference hinders trade and the effective transfer of goods I would like to quote a statement made last year by Lynn Thomas, director of the Minnesota field office of CARE, Inc. This statement was made on June 19, at a Port of Duluth press conference when Ms. Thomas was speaking about the Food for Peace Program. CARE is the world's largest nondenominational private organization engaged in helping feed the hungry in other countries. In her statement she said:

> We are strongly concerned about the ability to get our food and other goods to the people who need them in a timely way, and in good condition. Unfortunately, U.S. cargo preference makes the job harder because American flag ships too often are not available or suitable for our cargoes.

I urge my colleagues to vote for this amendment.

Mr. KLUG. Mr. Chairman, I rise in strong support of the amendment. We have got to protect America's fourth coast, the port of the Great Lakes.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I rise in opposition to the Bereuter amendment,

which would essentially gut the so-called Torricelli language in this legislation.

The Torricelli provision will bring a much needed dose of reality to our foreign assistance program. Contrary, I am sure, to what most taxpayers might expect, the United States gives away billions of dollars with no strings attached and not even an accounting on how the money is spent. If my colleagues like our foreign money to continue to be spent in foreign countries, they will support this Bereuter amendment.

On the other hand, the Torricelli provision will ensure that U.S. cash transfer assistance is spent on U.S. goods and U.S. services and that there is an auditing mechanism to ensure that the funds are spent lawfully. It does not forbid cash transfers where diplomacy and security require them.

One important fact, ladies and gentleman, has been overlooked in this debate. And that is that the Torricelli provision does not apply to private commercial transactions. It very specifically provides it applies to government-to-government, noncommercial transactions only.

Now, what else is right about the Torricelli amendment? This language will result in additional U.S. commodity purchases by recipient country governments. It will prevent diversion of U.S. assistance to other countries. The language ensures that U.S. cash transfers are spent on U.S. commodities, U.S. goods and services. U.S. agriculture, manufacturers and services, as well as shipping, will benefit from increased foreign government purchases that are required by the Torricelli provision.

We can no longer afford to give away $3 billion in cash without taking some steps to ensure that as much of that money as possible is spent on U.S. commodities, goods and services.

I urge a no vote on the Bereuter amendment.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, as a world leader, the United States has an important role to play in promoting the democratic and humanitarian goals which help preserve global stability.

Foreign aid plays a dominant part in American efforts to advance these goals.

There is no law, however, that says by supporting global concerns we must neglect our own domestic interests. And, in fact we would be stupid to step on our own feet while helping other nations get ahead.

Mr. Chairman, the Torricelli provision included in this legislation is common sense. It simply states that U.S. cash aid, supported by American taxpayers, should be used to buy American products, commodities, and services and not to subsidize foreign jobs and foreign workers.

Under current law, foreign recipients of cash aid have every opportunity to take us to the cleaners. Foreign nations receiving U.S. aid dollars can in fact cash in on U.S. assistance by spending all of this aid on foreign goods, services, and commodities. Looking out for number one when it comes to foreign aid, should be the basic building block of our foreign policy.

The buy America/cash transfer provision in this bill will provide jobs and boost our economy as well as the foreign economies that receive our aid.

By supporting our own economy, we can keep America strong enough to stay a world leader and an international player able to make a difference.

Under the Torricelli cash transfer provision, everyone wins. I urge you to support this provision and to oppose any attempts to amend or delete it.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank my friend, the gentleman from Michigan [Mr. BROOMFIELD], for yielding time to me.

I support this amendment because it removes an unworkable provision and replaces it with a more realistic approach. It allows ports on the Great Lakes to remain competitive for U.S.-assisted exports. And it removes from the bill an entirely inappropriate Government intrusion into private enterprise.

The provision now in the bill not only requires U.S. flag vessels for half of Government-assisted exports, but also for an equal amount of commercial transactions. It has been said earlier in this debate that only government to government transactions are covered by the bill, but that is not so. If my colleagues read the language in this bill, it also applies to an equal value of commercial transactions between assisted countries and American exporters. This would subject $2 billion of exports to Government regulation which would be necessary to implement the committee's language.

If this provision were ever to become law, it would make it more expensive for American exporters to ship their products overseas and therefore make them less competitive in the world markets. Further, American farmers and manufacturers would be harmed by the resulting loss of export opportunities.

And finally, the Great Lakes ports would be effectively eliminated from competing for the shipping related to these exports.

Above all, let us set aside the special interests and regional concerns, and look at the larger issue of competitiveness. This is a key issue we in Congress must address. Any legislative action that would impede American competitiveness must not be adopted, no matter how it benefits any particular special interest group.

The debate has centered around agriculture, but the committee's bill affects more than agriculture. The bill affects all of manufacturing also. And it affects commercial transactions, not only U.S. Government-sponsored exports. Therefore, the provisions at issue here really constitute an impediment to the American economy.

Let us take the shackles off our farmers, our business people, and our Great Lakes ports, and let them compete. That is why adopting this amendment is so important.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Nebraska [Mr. BEREUTER]. The United States is the world's largest trader and has an enormous stake in the future of world trade. Last year we saw more than $40 billion in agriculture exports. This accounted for one-fifth of our farmers cash receipts and 1 million jobs in production, processing, packaging and shipping these products around the world.

We have just provided the President with continuation of fast-track negotiating authority—a tool so that trade initiatives can continue to advance the economic objectives of the United States. For the United States, growth in agriculture exports is vitally important and our farmers will gain from reduced barriers to market access.

It is not in the best interest of the United States to restrict exports or to put barriers in the path of our farmers to sell the food and fiber they produce around the world.

One of the provisions of the foreign assistance reauthorization bill does exactly that. The bill expands cargo preference requirements on U.S. commercial exports to countries receiving assistance under the Economic Support Fund. The amendment offered by the gentleman from Nebraska amends this section and keeps U.S. agriculture exports and our farmers in business.

Section 1303 of the Foreign Assistance Reauthorization Act will extend cargo preference on U.S. sales already being made to those countries receiving economic support funds. That section will not increase U.S. exports, since these countries already buy, in U.S. goods, more that 16 times the amount of funds they receive. It is likely that the opposite effect will take place—U.S. exports will decrease so that the increased cost of shipping can be paid.

Countries affected by the amendment, not including Israel, will receive $796 million in economic support funds

in fiscal year 1992. These same countries purchase over $13 billion in U.S. goods in 1990—far more than they received. Application of cargo preference requirements will result in a reduction in the amount of goods they purchase.

Keeping this provision in the bill can result in a reduction of U.S. exports. If these countries are faced with relatively high U.S. vessel shipping costs for agricultural commodities, they are likely to shift their purchases to other goods with lower shipping costs. Additionally, the amount of agricultural commodities purchased from the United States could be reduced because of the higher shipping costs. Agriculture will be harmed by such actions and exports will go down, just at a time when we are trying to increase markets for our farmers.

The American farmer is the envy of all and we all benefit from the productivity and efficiency of our farmers. We cannot afford to take this valuable resource for granted and must provide a climate in which the farmer can prosper and continue to supply both this country and the world with food and fiber. There is no question that the current status of world agriculture trade is unacceptable. Continuing the status quo means that present trade barriers of other countries will go on; that trade as we know it now, unfair and uneven, will not change.

It is my goal to see changes in world trade that will benefit U.S. agriculture. Restricting our farmers' exports, as can happen through the bill before us today, does not serve that goal and, in fact, may have the opposite effect.

I urge my colleagues to support the Bereuter amendment and help U.S. agriculture.

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

Mr. COLEMAN of Missouri. I yield to the gentleman from Kansas.

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

Mr. Chairman, there is nothing wrong with asking the Federal Government, I tell all of my colleagues who always lobby for the merchant marine to support a strong maritime industry and flagship fleet and et cetera. One would think we would have had the merchant marine in the parade here with the Desert Storm troops the way they are talking. But, it is time to stop using cargo preference to build up our merchant fleet. It has not worked. It will not work. We are simply taking money out of the farmers' pockets that are already down to the lint.

I am just asking the folks who want to build and maintain a strong and viable merchant marine fleet, come through the front door. We will help you.

Five years ago, six years ago, the gentleman from Oklahoma [Mr. ENGLISH] and myself had an amendment on cargo preference. We fought that fight. We lost. We said we would join with you.

We asked for a GAO report to ask what is wrong with the merchant marine and our flagship fleet? There are many things wrong.

Ask the Treasury. Come up front. Do not take it out of the farmers' pocket. How many times do we have to go through this?

We get nickeled and dimed every year by you people when you come in here. It is a false argument. Support the Bereuter amendment.

Mr. Chairman, I rise in support of the amendment to prevent yet another expansion of the cargo preference shipping laws. We have been down this road many times since maritime interests first came through the back door during deliberations on the 1985 farm bill with so-called compromise language expanding cargo preference requirements on shipments of U.S. humanitarian assistance program goods.

Most of my colleagues are aware this Nation's farmers and stockmen were not pleased with this expansion. Agriculture learned to live with the new rules because we understood the compromise would limit expansion of cargo preference to certain assistance programs, such as Public Law 480.

However, since that debate we have visited this issue at least once every 2 years as certain maritime interests in Congress continually attempt to expand cargo preference into areas agreed to as off limits in 1985—areas such as commercial agricultural commodity sales.

We in agriculture have no argument with the maritime industry's position that they continue to fight rough sailing on the international shipping seas. Farm country understands tough times.

And there is certainly nothing wrong with asking the Federal Government to help keep an industry's head above water. But it is time to stop using cargo preference to build up our merchant fleet. It has not and will not work. You simply are taking money out of farmers pockets that already are down to the lint.

I'm just asking the folks who want to build and maintain a strong, viable merchant marine fleet to come through the front door. If it is in the best interest of this Nation to maintain a strong merchant fleet—and I believe it is—then maritime should sell a comprehensive, viable program to the taxpayers. Do that and I will work with you.

Agriculture has been accused every time this issue comes up of trying to go back on the 1985 agreement. This is simply not the case. Rather, it is agriculture and other U.S. industries which are constantly having to defend the 1985 cargo preference compromise against further expansion by my colleague from New Jersey [Mr. TORRICELLI].

Section 1303 is another example of this constant fiddling with the cargo preference laws. Mr. Chairman, a considerable amount of the work on the 1990 farm bill time was spent working to increase the program flexibility of producers participating in USDA programs.

Congress agreed with producers that the key to economic success was the ability to quickly respond to changing economic, market and management conditions.

Now we are on the verge of telling foreign countries—many of which depend on our assistance to help them cope with many of these same conditions—that the United States is going to take away the flexibility which allows the Economic Support Fund [ESF] programs to work efficiently. At the same time, this section will raise the cost of American agricultural exports, and it appears aimed at undercutting our foreign aid program in the Middle East and Central America.

The real irony, Mr. Chairman, is that certain elements of the maritime industry refuse to share the cargo preference spoils within their industry. My colleagues from the Great Lakes region tell me it is nearly impossible to get cargo preference shipments originating out of the Great Lakes. They have tried several times to get the coastal maritime interests to share. The answer has been "no."

And, contrary to some reports, section 1303 will not improve the level ESF cash transfer spent in the United States on U.S. goods. It only guarantees that U.S. ships are guaranteed additional foreign assistance dollars.

The countries targeted by section 1303 with the strong message of "Buy American or lose Uncle Sam's help" already buy 15 times more U.S. goods and services than they receive in cash transfers. And most are carrying a trade surplus with the United States. The administration has indicated that the end effect of section 1303 cargo preference requirements will be to lower the net amount of U.S. exports generated by the foreign assistance program.

Mr. Chairman, I know many other U.S. industries are fighting the same tough trade hurdles and economic conditions that have agriculture fighting for survival. We can't afford the negative trade impact of yet another misguided expansion of cargo preference. I urge my colleagues support of amendments to correct the inequities of section 1303.

Mr. FASCELL. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. TORRICELLI].

□ 1530

Mr. TORRICELLI. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, my colleagues, this is a judgment we have made before. Indeed, it has become an annual rite of spring to consider in the foreign assistance bill what it is we do about our purchases of American products and the use of American ships. Every year, indeed, this same language contained this year in the foreign authorization bill, supported overwhelmingly by the Committee on Foreign Affairs, has won by a wide margin.

I ask that you cast that vote again today, because foreign assistance must be more than delivering a check to foreign governments. This is not about sending money alone to Egypt or Africa or Latin America. It is about the relation of people to people, the fact that we send goods, the works of our factories and our farms, and they see the products we make in America and ap-

preciate them and appreciate us for having given them.

Mr. Chairman, this amendment is simple, that at least half of the amount of money that we are sending to a foreign government must be reflected in the purchase of American products made by American people. I know some of the Members disagree, and some will cast a different vote. But how is it you will go home to your own districts, to your own communities and explain the fact, the reality, that American foreign assistance that is going to Egypt is being used to purchase Cuban sugar or that increasing amounts of American foreign assistance is going to purchase Argentinian and French wheat subsidized by their governments? How is it you will explain that American foreign assistance is being spent for Japanese products from their factories?

It is not a theory. It is a reality. Increasingly, shares of products are being lost, and the American taxpayer is paying for it.

There is a reason why no other nation in the world provides cash assistance to foreign governments without requiring that some of it be spent in their nation, and the reason is that every other nation in the world understands they cannot afford it. The news on this floor today to our Government, the understanding with our taxpayers is that we cannot afford it any longer either.

My friends, we are dealing with a simple reality. Times have changed. $10 billion, $11 billion, $13 billion, $14 billon in cash today is important to this economy. It means jobs. Whether that money goes to French farmers or American farmers matters. We need it back, and we want it back.

I do not dispute that there is a difference today in the level of shipping costs any more than I argue that American wheat or soybeans may be more expensive. The difference today in the shipping on an American flag ship to the Middle East is $25 a ton compared with a European ship of $22 a ton. I concede the point; it is $3. But do we not have a right for that $3 extra to be spent in the United States supporting our own seamen, supporting our won corporations and eventually our own taxpayers?

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. TORRICELLI. I am happy to yield to the gentleman from Florida.

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding.

Does the gentleman understand that at the beginning of the gulf war, Desert Storm and Desert Shield, it was the merchant marine of the United States, those freight haulers, those ships that could carry all of this, that were carrying all of the war materiel out to the Persian Gulf, that were so important to us that the merchant marine has been walking in the parades side by side with all the American Armed Forces who have been celebrated by the American people?

Today we are hearing on the floor of the House that they are good enough to fight for us, but they are not good enough to carry our product to foreign soil. If I ever heard of an anti-American attitude, that is it.

I think the gentleman is doing the right thing in resisting this amendment. We have resisted it before, and I think America ought to understand it is about time that Americans, all, not just the farmers, and let them sell their product, all Americans had a chance at that piece of the pie.

Mr. TORRICELLI. I appreciate the gentleman making the point and, indeed, having made clear where taxpayer's money is going and what the costs may be, and my belief that even foreign aid must be part of an economic strategy today for America.

Let me conclude on that point, that ultimately it is also national security. Here we are, a world power. Some world power. We have gone from 2,000 merchant ships to 371.

In the Persian Gulf crisis when American ships needed to sail to Saudi Arabia, it is a good thing the Liberians agreed with us and the Panamanians and the French, because if they did not, American war materiel never would have left our ports.

We have lost our merchant marine. What happens in the future with American security when they do not agree?

Indeed, for all of the success of Desert Storm, we have learned some of that lesson. Our operations in Desert Storm could not begin until ships that broke down in the Mediterranean were repaired to deliver tanks and helicopters. Ten Greek ships stopped at the entrance of the Persian Gulf. They would not be in harm's way. They refused to deliver American war materiel, because they did not agree with the policy.

What happens next time?

I know some agricultural interests have their concerns, and I know some maritime interests have their concerns. My suburban district has neither of those concerns. We do not grow anything, and we do not have any ports.

But I have got this concern: This cannot go on. A great nation cannot be without maritime power, and a great nation cannot continue to be blind to the fact that it cannot provide cash around the world without at least asking that half of it be spent in the United States.

My colleagues, you have made this vote many times, Democrats and Republicans alike, farm States, industrial States, across the board. You have voted for this provision. I ask you today to support the committee. I ask you to support my provision. Defeat Bereuter. Cast a consistent vote, not for any interest, but for the simple fact that it is time to deal with economic reality. It is time to have a merchant marine again.

I understand my colleagues here today have said they would vote for provisions for the merchant marine. There is not going to be one. This is the only provision. Vote no.

Mr. BROOMFIELD. Mr. Chairman, I yield the balance of my time to the gentleman from Nebraska [Mr. BEREUTER], the principal sponsor of this amendment.

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, I rise in strong support of the Bereuter amendment.

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I rise in strong support of the Bereuter amendment.

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, let me simply say that to hear the last few speakers you would think that this was an issue which was dividing people on the basis of whether you want to help America or not. That is baloney.

The fact is that the Torricelli amendment has nothing whatsoever to do with helping America. What the Torricelli amendment is about is helping a few American ports at the expense of other American ports, at the expense of the farm industry, at the expense of the auto industry, at the expense of the textile industry, at the expense of every industry that wants to export an American product.

□ 1540

What the Torricelli amendment says is that we are going to try to build a maritime industry at the expense of every other American industry.

Now, that does not make sense. The Torricelli amendment, if it is not amended by this amendment, will double the cost of shipping goods to the recipient countries under this program. That will reduce the amount of goods that can be sent to those countries; that will reduce American sales. It will reduce American ability to export.

It is a pretty dumb way to improve the economic conditions of the United States. So do not be fooled by it.

I would also point out that, contrary to the impression being left by the Torricelli amendment sponsors, the Torricelli amendment, even if it is amended by a future Torricelli amendment, will still exclude Israel from participation in these programs. I do not think we want to do that, either.

Mr. BEREUTER. Mr. Chairman, I thank the distinguished gentleman for the clarification, but it is also important to emphasize that this does not,

the current Torricelli language in the bill, does not exempt Israel. The language I am offering does exempt Israel—and all other countries—from the Torricelli language in the bill.

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

Mr. BEREUTER. I yield to the distinguished gentleman from New York.

Mr. McHUGH. Mr. Chairman, I thank the gentleman for yielding. A premise running through the argument of the Torricelli opponents is that the United States gets virtually nothing back in return for our foreign assistance. That simply is not true.

I think it is important on this point to cite the report itself. I realize they are talking about cash assistance, but the report states:

> Virtually all of the security assistance procurement and an estimated 70 percent of the economic assistance procurement resulting from this bill will take place in the United States. Such procurement will contribute significantly to the creation of additional jobs for American workers and to the expansion of American business.

I think it is very important to stress that the foreign assistance we are providing, provides a significant amount of help to American workers without the Torricelli provision.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for his comments.

Indeed, the balance of trade between the United States and ESF countries as related to ESF from the United States and the U.S exports to those ESF-recipient countries is 14 or 15 times in our favor except for the nation of Nicaragua. We have had an embargo with Nicaragua, or it would be no exception.

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

Mr. BEREUTER. I yield to the distinguished gentleman from Minnesota a cosponsor of the amendment I have offered.

Mr. OBERSTAR. I thank the gentleman for yielding. The problem that those Members in the Great Lakes have with the pending so-called Torricelli amendment is that American-flag operators want to have it both ways. They want the production of Buy America, which this essentially is, shipped on American-flagged vessels, cargo preference, and I have been a supporter in the past since I started in my office on the Committee on Merchant Marine and Fisheries on the cargo perference provision, until I found they would not serve the Great Lakes. They want the protection on the one hand of cargo perference, and they want the liberty to serve or not serve those areas of the country which they choose not to serve, which is the Great Lakes, where we generate 45 percent of the agricultural exports of this country. They will not send American-flagged vessels into the Great Lakes. That is a disgrace.

Mr. BEREUTER. Mr. Chairman, I urge support of the Bereuter-Obey-Oberstar amendment.

Ms. PELOSI. Mr. Chairman, I rise today in support of the cash transfer reform provision contained in H.R. 2508, the foreign aid authorization bill and in opposition to any weakening amendments. I commend Chairman TORRICELLI for his work in including this important provision in this bill.

The Torricelli language makes simple common sense. It ensures that foreign recipients of U.S. cash aid purchase American goods and transport some of those goods on American-flag vessels. Right now, foreign recipients of U.S. cash aid are not required to buy and ship American. They can and do spend cash provided by U.S. taxpayers on foreign goods, agricultural products and shipping. Recipients of assistance provided by us may not even know that the taxpayers of the United States paid for the goods they are receiving. Is this right?

Too often, U.S. cash aid is used to purchase goods and services abroad. This assistance subsidizes foreign jobs and industries at the expense of our domestic industries and American workers.

I support our efforts to assist those in need elsewhere. With the Torricelli provision, we can assist those in need here at home at the same time. I urge my colleagues to support the cash transfer reform provision contained in the foreign aid bill and to oppose any weakening amendments.

Mr. NUSSLE. Mr. Chairman, as a freshman Member of this body, I have been questioning all of our Nation's policies and asking the basic questions of "Why do we have this policy?" and "Is this policy the wisest use of the taxpayers' money?" I raise these questions with our existing cargo preference policy.

Why do we have this policy? Some say we have a cargo preference policy to protect our merchant marine because it is such a critical component of our national defenses. The fact is that our shipping industry is not competitive. According to the Agency for International Development—AID—financed cargoes on U.S. ships cost an average of nearly twice that of our foreign competitors. And for some commodities, such as corn, the costs are 120 percent greater using U.S. vessels. And with cargo preference policies intact, there is no incentive for U.S.-based ships to become more competitive.

Others say the cargo preference policy promotes exports. How in the world are our Nation's goods going to be competitive, pricewise, with transportation costs twice that of other nations? More importantly, how are the Iowa grain farmers going to compete globally with transportation costs inflated 120 percent?

Now I turn to the question of, Is cargo preference a wise use of taxpayers' money? The Congressional Budget Office—CBO—reported last fall that $1.05 billion per year is spent by the Federal Government to pay for cargo preference and operating differential subsidies. This figure translates to $241,157.55 per U.S.-flag seafaring job. I might add that some of these seafaring workers make over $141,000 for 6 months work. That hardly seems like a wise use of the taxpayers' money.

Now those questions I just raised pertain only to the existing policy and not to what is being proposed in this legislation. As I understand it, H.R. 2508 greatly expands cargo preference by extending cargo preference on U.S. commercial exports to nations receiving U.S. cash transfer assistance under the economic support fund—ESF. Moreover, it expands cargo preference requirements to cover agricultural exports that were deemed exempt in the 1985 farm bill.

If this policy seems ludicrous as it stands, why expand it? Some claim that it will promote U.S. exports by requiring cash transfer recipients to spend an amount equal to the cash transfer—in other words, their own money, not the cash transfer itself—on U.S. goods and services. The goods which are purchased must then be subjected to the law requiring transport on American ships.

However, the reality is that the cash transfer countries already buy far more in American goods and services than they get in cash transfers, and the United States is already running a large trade surplus with them. Proposed cash transfer aid to the countries affected by the amendment is less than $800 million in fiscal year 1992, while U.S. exports to those same countries totaled $13 billion last year.

Who is hurt by this extension of cargo preference policy? The American farmer is the one who will feel the brunt of this cargo preference expansion because most agricultural exports go by ship and are subjected to cargo preference laws. And this comes at a time when Iowa farmers are experiencing devastating flooding and are having a difficult time even planting their crops.

But farmers are not alone. Any U.S. product exported by sea will be hurt by this legislation including coal, oil, chemicals, machinery, and iron and steel products. Anyone who cares about American farmers, American industry, and American jobs should oppose this extension of cargo preference policy.

I urge my colleagues to join me in support of the Obey amendment to modify the cargo preference lanaguage contained in this bill.

The CHAIRMAN pro tempore. (Mr. McDERMOTT). The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BEREUTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 246, not voting 10, as follows:

[Roll No. 150]

AYES—175

Alexander	Armey	Barrett
Allard	Aspin	Barton
Annunzio	Atkins	Bellenson
Anthony	Ballenger	Bereuter
Archer	Barnard	Berman

Boehner	Houghton	Peterson (FL)
Boucher	Huckaby	Peterson (MN)
Broomfield	Hyde	Petri
Bunning	Inhofe	Pickle
Burton	Ireland	Porter
Camp	Jacobs	Poshard
Campbell (CA)	Johnson (CT)	Pursell
Carr	Johnson (SD)	Ramstad
Chandler	Johnson (TX)	Ray
Clement	Jontz	Regula
Coleman (MO)	Kaptur	Rhodes
Combest	Kasich	Riggs
Cooper	Kleczka	Roberts
Costello	Klug	Roemer
Cox (CA)	Kolbe	Rogers
Cox (IL)	Kyl	Rohrabacher
Crane	LaFalce	Roth
Dannemeyer	Lagomarsino	Rowland
de la Garza	LaRocco	Sabo
DeLay	Leach	Sangmeister
Dickinson	Lehman (FL)	Sarpalius
Dooley	Lewis (FL)	Sensenbrenner
Doolittle	Lightfoot	Sharp
Dorgan (ND)	Lipinski	Sikorski
Dornan (CA)	Long	Skeen
Dreier	Mazzoli	Skelton
Durbin	McCandless	Slattery
Eckart	McCloskey	Slaughter (VA)
Edwards (OK)	McCrery	Smith (OR)
Emerson	McEwen	Smith (TX)
English	McHugh	Stallings
Espy	Meyers	Stenholm
Fawell	Michel	Stump
Frank (MA)	Miller (OH)	Synar
Gallegly	Montgomery	Tanner
Gekas	Moody	Thomas (CA)
Gibbons	Moorhead	Thomas (GA)
Gilchrest	Moran	Thomas (WY)
Gillmor	Morrison	Traxler
Glickman	Myers	Upton
Goodling	Nichols	Vento
Gradison	Nussle	Visclosky
Grandy	Oakar	Volkmer
Gunderson	Oberstar	Vucanovich
Hall (OH)	Obey	Walker
Hall (TX)	Olin	Waxman
Hamilton	Oxley	Weber
Hammerschmidt	Packard	Williams
Hancock	Panetta	Wolf
Hansen	Parker	Wylie
Hastert	Paxon	Young (FL)
Hatcher	Payne (VA)	Zeliff
Henry	Pease	
Hobson	Penny	

NOES—246

Abercrombie	Collins (MI)	Gephardt
Ackerman	Condit	Geren
Anderson	Conyers	Gilman
Andrews (ME)	Coughlin	Gingrich
Andrews (NJ)	Coyne	Gonzalez
Andrews (TX)	Cramer	Gordon
Applegate	Cunningham	Goss
AuCoin	Darden	Gray
Bacchus	DeFazio	Green
Baker	DeLauro	Guarini
Bateman	Dellums	Harris
Bennett	Derrick	Hayes (IL)
Bentley	Dicks	Hayes (LA)
Bevill	Dingell	Hefley
Bilbray	Dixon	Hefner
Bilirakis	Donnelly	Herger
Bliley	Downey	Hertel
Boehlert	Duncan	Hoagland
Bonior	Dwyer	Hochbrueckner
Borski	Dymally	Holloway
Boxer	Early	Horn
Brewster	Edwards (CA)	Horton
Brooks	Edwards (TX)	Hoyer
Browder	Engel	Hubbard
Brown	Erdreich	Hughes
Bruce	Evans	Hunter
Bryant	Fascell	Hutto
Bustamante	Fazio	James
Byron	Feighan	Jefferson
Callahan	Fields	Jenkins
Campbell (CO)	Fish	Johnston
Cardin	Flake	Jones (GA)
Carper	Foglietta	Jones (NC)
Chapman	Ford (MI)	Kanjorski
Clay	Franks (CT)	Kennedy
Clinger	Frost	Kennelly
Coble	Gallo	Kildee
Coleman (TX)	Gaydos	Kolter
Collins (IL)	Gejdenson	Kopetski
Kostmayer	Neal (NC)	Skaggs
Lancaster	Nowak	Slaughter (NY)
Lantos	Ortiz	Smith (FL)
Laughlin	Orton	Smith (NJ)
Lehman (CA)	Owens (NY)	Snowe
Lent	Owens (UT)	Solarz
Levin (MI)	Pallone	Solomon
Levine (CA)	Patterson	Spence
Lewis (CA)	Payne (NJ)	Spratt
Lewis (GA)	Pelosi	Staggers
Livingston	Perkins	Stark
Lloyd	Pickett	Stearns
Lowery (CA)	Price	Stokes
Lowey (NY)	Quillen	Studds
Luken	Rahall	Sundquist
Machtley	Rangel	Swett
Manton	Ravenel	Swift
Markey	Reed	Tallon
Marlenee	Richardson	Tauzin
Martinez	Ridge	Taylor (MS)
Matsui	Rinaldo	Taylor (NC)
Mavroules	Ritter	Thornton
McCollum	Roe	Torres
McDermott	Ros-Lehtinen	Torricelli
McGrath	Rose	Towns
McMillan (NC)	Roybal	Traficant
McMillen (MD)	Russo	Unsoeld
McNulty	Sanders	Valentine
Mfume	Santorum	Vander Jagt
Miller (CA)	Savage	Walsh
Miller (WA)	Sawyer	Washington
Mineta	Saxton	Waters
Mink	Schaefer	Weiss
Moakley	Scheuer	Weldon
Molinari	Schiff	Wheat
Mollohan	Schroeder	Whitten
Morella	Schulze	Wilson
Mrazek	Schumer	Wise
Murphy	Serrano	Wolpe
Murtha	Shaw	Wyden
Nagle	Shays	Yatron
Natcher	Shuster	Young (AK)
Neal (MA)	Sisisky	Zimmer

NOT VOTING—10

Davis	McCurdy	Smith (IA)
Ford (TN)	McDade	Yates
Hopkins	Rostenkowski	
Martin	Roukema	

□ 1607

Mrs. SCHROEDER, Mrs. MINK, and Messrs. BILBRAY, RICHARDSON, LEVIN of Michigan, COYNE, GONZALEZ, and BREWSTER changed their vote from "aye" to "no."

Mrs. VUCANOVICH and Messrs. KYL, SKELTON, BERMAN, WAXMAN, ANTHONY, and BEILENSON changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. ROHRABACHER

Mr. ROHRABACHER. Mr. Chairman, I have three amendments at the desk which have been printed in the RECORD, and I ask unanimous consent to consider them en bloc.

The CHAIRMAN pro tempore (Mr. DELLUMS). Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore.

The Clerk will report the amendments.

The Clerk read as follows:

Amendments en bloc offered by Mr. ROHRABACHER: Page 29, after line 2, insert the following:

"(D) With regard to economic assistance under this Act or the Support for East European Democracy (SEED) Act of 1989 for countries that are in transition from communism to democracy, it shall be the policy of the United States, to the extent feasible, to provide assistance directly to democratically elected governments of republics within any country that has a federal system of government in which the federal government has a ruling communist majority, as well as directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States). As used in this subparagraph, the term 'democratically elected' means elected through open, free, and fair elections.

Page 403, after line 18, insert the following:

"(4) EXCEPTION FOR ASSISTANCE TO DEMOCRATICALLY ELECTED GOVERNMENTS OF REPUBLICS.—Subsection (a)(1) does not apply with respect to assistance provided directly to democratically elected governments within any country that has a federal system of government in which the federal government has a ruling communist majority or provided directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States. As used in this paragraph, the term 'democratically elected' means elected through open, free, and fair elections.

Page 575, strike out lines 5 through 9 and insert in lieu thereof the following:

"(b) EAST EUROPEAN COUNTRIES.—For purposes of this Act, the term 'East European country' includes Yugoslavia, any state whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States and that has a democratically elected government, and any republic within the Union of Soviet Socialist Republics or Yugoslavia that has a democratically elected government. As used in this subsection, the term 'democratically elected' means elected through open, free, and fair elections.".

Mr. ROHRABACHER (during the reading). Mr. Chairman, I ask unanimous consent the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the requests of the gentleman from California? There was no objection.

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

Mr. ROHRABACHER. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I request that you do not take the time out of the gentleman's time. It is difficult to hear. I just simply wanted to say that on this amendment, as we progress, I hope that we can reach an understanding with regard to a limitation on time. I know it is an important amendment. But let us see how it goes, I say to the gentleman from Michigan, and then perhaps we can agree on a time limitation.

The CHAIRMAN pro tempore. The Chair seeks clarification from the gentleman from California. In the gentleman's unanimous-consent request he sought to offer three amendments en bloc. The Chair would suggest that the gentleman has printed a larger number of amendments. Would the request include all of the amendments that the gentleman had printed in the RECORD?

If not, the gentleman should specify at this time.

Mr. ROHRABACHER. Yes, I would like to offer all three that were given to the desk.

The CHAIRMAN pro tempore. The Chair cannot hear the gentleman.

Mr. ROHRABACHER. We submitted three at the desk.

The CHAIRMAN pro tempore. The gentleman will suspend.

□ 1610

Mr. ROHRABACHER. Mr. Chairman, four amendments were printed, but only three were offered at the desk, and we were asking for the three that were offered at the desk to be considered together, en bloc.

The CHAIRMAN pro tempore (Mr. DELLUMS). The gentleman from California [Mr. ROHRABACHER] must tell the Clerk which three amendments he is alluding to.

Mr. ROHRABACHER. All right; one moment. We have already submitted those.

Mr. FASCELL. Mr. Chairman, I am anxious to get this clarified also, and I wonder if the gentleman from California [Mr. ROHRABACHER] showed me his amendment. He has three amendments, and he is offering them en bloc, and we have raised no objection to that.

However, Mr. Chairman, it still leaves the question that the Chair asked, which is: Which three amendments is the gentleman talking about out of those that are printed in the RECORD? We will need a copy.

The CHAIRMAN pro tempore. The Clerk will report the three amendments delivered to the Clerk by the gentleman from California [Mr. ROHRABACHER].

Mr. FASCELL. Mr. Chairman, before we do that, may I inquire further of the gentleman from California?

Mr. Chairman, the gentleman from California [Mr. ROHRABACHER] showed me a single sheet of paper that had three amendments on it and asked me if I had any objection to the consideration of those three amendments en bloc.

Mr. ROHRABACHER. The gentleman from Florida [Mr. FASCELL] is correct. We have three separate amendments.

Mr. FASCELL. I see that, and that is the reason this gentleman is confused, I might say.

Mr. ROHRABACHER. Mr. Chairman, they are basically the same language as three sections of the bill, and we are asking for them to be considered en bloc.

Mr. FASCELL. Mr. Chairman, let me put the question a different way.

These three amendments, copies of which were just delivered to our desk, are they amendments that are now printed in the RECORD?

Mr. ROHRABACHER. The gentleman from Florida [Mr. FASCELL] is correct.

Mr. FASCELL. All right.

Now, in addition to these three amendments, does the gentleman have any other amendments on this subject printed in the RECORD?

Mr. ROHRABACHER. Yes, there are, but we are only considering three of the four that were printed in the RECORD. I have dropped one of the others.

Mr. FASCELL. Mr. Chairman, I thank the gentleman from California [Mr. ROHRABACHER] and ask if the Clerk has the right amendments.

The CHAIRMAN pro tempore. The Clerk has been furnished three amendments by the gentleman, and the Clerk will identify the three amendments so that the RECORD is clear on this matter.

The Clerk designated the three amendments offered by Mr. ROHRABACHER as printed prior to this portion of the proceedings.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, today I rise to offer an amendment which will make it the policy of the United States that, whenever feasible, aid will be channeled to democratically elected republic governments, rather than repressive central governments.

It affects the Soviet Union and Yugoslavia, in the current world situation. For those of you concerned about Yugoslavia the moment the Communists are no longer in control of the Yugoslav Central Government, this amendment would no longer apply to them.

This amendment, introduced in the Senate by minority leader BOB DOLE, is based on the Dole-Rohrabacher Direct Aid to Democracies Act. Cosponsors in the Senate include the chairman, Mr. PELL, and the ranking Republican of the Senate Foreign Relations Committee, and over a dozen other Senators. In the House this amendment has wideranging bipartisan support from the gentleman from Michigan, Mr. BONIOR, the chairman of the Veterans' Affairs Committee, Mr. MONTGOMERY, from the gentleman from California, Mr. LANTOS, to the gentleman from Georgia, Mr. GINGRICH.

I recently received a letter, which I will submit for the RECORD, from Paruyr Hayrikyan, a member of the Armenian Supreme Soviet and the president of Democracy and Independence, a coalition of democratic movements from Estonia, Georgia, Latvia, Azerbaijan, Lithuania, Moldavia, Russia, the Ukraine, Byelorussia, and Croatia. Mr. Hayrikian said that aid of any kind to the Soviet Central Government will be the death knell of the democratic movements now active in the Republic throughout the Soviet Union.

The bill we are amending already has language providing for direct aid to the Baltic States, so if there is concern that my amendment would somehow undermine Gorbachev by aiding the Baltics directly, all I can say is: that is already being done. In fact, the bill provides that direct aid can be provided to, and I'm quoting from the bill,

* * * the government of any republic, and any local government, within the Union of Soviet Socialist Republics that was elected through open, free, and fair elections, and any indigenous nongovernmental organization in the Soviet Union that promotes democratic reforms and market-oriented reforms.

My amendment is, in many ways, the same idea; direct aid to democratic republics. Let me put it this way, the difference between my amendment and the musings over at the State Department is that I am asking to make it our Nation's policy to side with reform over repression, with democracy over communism. And let me add this, contrary to what you may have heard, my amendment does not have anything to do with military aid. Zilch. And the people of this country don't want their incomes taxed so we can channel money to the last vestiges of Communist power in the Kremlin. Any aid coming from this country should go to people who want to build a democratic, free, and peaceful world. It should not go to the Communists in Moscow, Belgrade, or anywhere else.

Our Government continues to tax hundreds of billions of dollars from our people to spend on defense. This is, to a large degree, to defend ourselves from the Soviet military.

And now, senior officials in our Government are seriously talking about a $100 billion dollar bailout program for the Kremlin. This is nonsense of the highest order. The CIA suggests the Soviet Union has about $30 billion in gold, tens of billions more in diamonds, oil, timber, and other treasures. Not to mention a mult-trillion-dollar military arsenal. Let them sell their assets before taxing the American people out of theirs.

Mr. Chairman, the Kremlin bosses recently decided to increase Soviet bombing and logistical support for the Communist regime in Afghanistan. For the first time the multi-million-dollar Mig-29, their most sophisticated aircraft, has been introduced to the Afghan conflict. The Soviet military is landing four to six of its $100 million IL–76 transport planes each day in Afghanistan, loaded to capacity with military supplies. The Soviets have launched over 1,500 Scud missiles, which cost approximately $500,000 each, during just the last 2 years in Afghanistan.

The same clique that gave the green light to the tanks that rolled down the streets of Vilnius now wants our aid. The blood of innocent Lithuanians is still dripping from the tank treds, and repression goes on and on in the Baltics.

This is the same clique who ordered their goons in Soviet Georgia to sharpen their shovels before they hacked peaceful demonstrators to death, as those martyrs hid in fright under church pews. The Soviet military has had operations in Azerbaijan, the Batlics, Modlavia, and Armenia. If they have enough money for sharpened shovels and punitive military operations, they don't need our money, and we should be on their side. We should not be on the side of the brave souls, the martyrs of freedom facing down Kremlin tanks.

We can support democracy or we can keep spending billions to defend ourselves against communism. Let's not come to the rescue. Let this monstrous totalitarian philosophy die, let the last Communist crawl into their caves and trouble mankind no more. Let us create a world where massive armaments are not needed. If we save communism from extinction now, the sound of agony of millions of victims should torment us for unbelievable foolishness.

Mr. Chairman, the Kremlin continues to allocate up to 24 percent of its GNP on its military. The last thing we should do is lessen the economic pressure by supplementing their budget with an infusion of money, money taken from the pockets of the American taxpayer. Let the Kremlin cut its own military spending, let Gorby quit propping up Castro and other Communist dictators. If he needs funds let it come from cutting his military, not by cutting into the pockets of working Americans.

Communism has as bloody a past as any totalitarian ideology in history. The crimes of Stalin and Hitler were equally horrific. The world has lived under a threatening cloud for decades. Now we see a light, a rainbow, the threat seems to be receding. In Yugoslavia, democratic movements have gained the upper hand in Slovenia and Croatia. The Communists still hold the upper hand in Belgrade, but a compromise may be found in a loose confederation. Our aid should not put us on the side of those pushing for a central Communist-controlled regime in Yugoslavia. Our aid should be used to give impetus to compromise which will lead to decentralization and democracy.

In Yugoslavia, in the Soviet Union and yes, China, Burma, and wherever people struggle for democracy against despotic central regimes we should be on the side of freedom. I submit that aiding the Soviet central Government is not in keeping with our principles, our national interests, our values, or our responsibilities.

Our vote today will tell the world whether the United States sides with those struggling for democracy or whether we will, instead seek to curry favor with the last remnant of Communist tyranny. Gorbachev and his clique are communism's last hurrah. He was repeatedly stated his goal: saving communism. Are we going to help him to that?

I say our place is with the reformers, enterprisers, the human rights activists in the Republics. No aid to the clique in the Kremlin.

I ask my colleagues to support my amendment.

Vote yes to the democratic republics.

A vote yes means no aid to Communist dictatorships either in Yugoslavia or the Soviet Union.

Mr. Chairman, I submit for the RECORD letters of support from different Russians and Lithuanians, as well as Americans and others within the Soviet Union who are supporting this amendment.

CONGRESS OF RUSSIAN-AMERICANS, INC.,
Washington, DC, June 11, 1991.

Hon. DANA ROHRABACHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROHRABACHER: The Congress of Russian-Americans, Inc. fully supports your amendment to ensure that US foreign aid be sent directly to the republics.

The Russian Republic, having proclaimed its sovereignty last June, is trying to move towards a market economy—a move that would benefit the United States. The central government of the Soviet Union, on the other hand, continues to prop up its old bureaucracy, including increased spending in the military sector, and little change toward free enterprise. Therefore, sending aid to the central Soviet government only helps reinforce the old system.

These opinions are also echoed with the USSR. Deputies from Democratic Russia, an umbrella group for democratically oriented parties and deputies, have come out against aid for the central government and asked for aid to be sent directly to the republics. They feel that giving aid to the central communist government only slows down the reform process and helps the communists buy more time and avoid the inevitable need to change their system.

Sincerely,

EUGENIA ORDYNSKY,
Executive Director.

LITHUANIAN-AMERICAN COMMUNITY, INC., NATIONAL EXECUTIVE COMMITTEE,
Arlington, VA, February 21, 1991.

Hon. DANA ROHRABACHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROHRABACHER: The Lithuanian-American Community, Inc. and its 77 chapters across the country commend your introduction of a bill to amend the foreign policy of the United States to give assistance directly to countries in transition from communism to democracy.

If the government of the USSR is to return to the path of democratic reform, there must be adequate support for the leaders of democratic reform who currently can be found only at the republic level in the USSR. It is in the interest of the United States and other democracies to seek a transformation of the USSR from an antiquated imperial system with a collapsing command economy to a modern state that may or may not include the present republics.

Governments should base their rule on trust, not coercion. The hard-liners who presently have Mikhail Gorbachev's ear do not represent the future and the United States should not be in the business of assisting them as they attempt to consolidate their power over the current USSR governmental structures.

We would hope that your bill will help to direct assistance to Lithuania as well. United States foreign policy has never recognized USSR authority over Lithuania. For the last year the democratically elected government of Lithuania has sought to disengage Lithuania from the control of collapsing USSR central government institutions. The United States in the coming months should move effectively to assist the government of the Republic of Lithuania.

Again, let me express our appreciation to you for your forward-looking and thoughtful proposal which if adopted will serve the interest of democracy.

Sincerely,

ASTA BANIONIS,
Director, Office of Government Affairs.

June 11, 1991.

EESTI VABARIIGI VÄLISMINISTER, MINISTRE, DES AFFAIRES ÉTRANGÈRES DE LA RÉPUBLIQUE D'ESTONIE,

Hon. DANA ROHRABACHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROHRABACHER: Attached pleased find letter Nr. 628-P sent by V. Doguzhiyev, Cabinet Minister and Chairman of the Inter-Republic Committee for Controlling the Fulfilment of Economic Agreements between the USSR and the Union Republics, informing my government that no later than June 15th, 1991, a proposal is to be presented for adoption by the Soviet cabinet, stipulating that all dealings between Estonia and the USSR are to be executed in hard currency and at world market prices.

The document should be regarded as an ultimatum making it impossible for the Republic of Estonia to regain her full independence. Having analysed the document I am in the process of preparing a response that in its broad outline will contain the following:

(1) Estonia is prepared to enter into hard currency dealings with the USSR:

(2) Estonia is prepared to pay compensation as established by an internationally recognized arbitration board;

(3) In order to fulfil these commitments Estonia must control hereborders to earn the hard currency so that she may act in her dealings with the USSR "in the principle of a foreign state" as specified in attached document Nr. 628-P.

It is therefore that I invite your help in establishing an internationally recognized arbitration board and to find a new approach in order to reactivate the agreement signed in 1925 by the U.S. and the Republic of Estonia granting Estonia unconditional most-favoured-nation treatment in customs matters to which I made reference in my note of May 12th, 1991. We trust that MFN-status for the USSR currently under consideration will not adversely affect the U.S.-Estonian treaty relationship.

In appreciation of your continued kind consideration of Baltic independence I remain.

Sincerely yours,

LENNART MERI,
Foreign Minister.

U.S.S.R. CABINET OF MINISTERS,
Moscow, the Kremlin, May 13, 1991.

To the leadership of the Union republics, USSR Justice Ministry, USSR Supreme Arbitration Court, USSR Supply Minister [Gossnab CCCR], USSR Finance Ministry, USSR State Bank [Gosbank CCCR], USSR Foreign Ministry, USSR Agricultural Ministry.

Please review with the assignment from May 7, 1991 (PP–14622), keeping in mind that it will be discussed during the Inter-Republic Economic Commission meeting this May.

/SIGNED/ V. DOGUZHIYEV.

U.S.S.R. STATE PLANNING COMMITTEE,
May 8, 1991.

Re Inter-Republic Commission for Auditing Purposes concerning the fulfillment of the economic agreement between the USSR and the Union Republics.

Re On relations among Republics, which are attempting to avoid economic treaty obligations.

In accordance with the Commission's decision of April 18 (protocol No. 2) Gosplan submits the following preliminary analysis on the principles of economic relations with republics, which do not fulfill economic treaties and do not wish to take part in the work of the Inter-Republic Economic Commission.

Two views are currently held by republics on the necessity of the existence of a single unified state.

The leadership of the supreme state organs in the RSFSR, Ukraine, Byelorussia, Uzbekistan, Azerbaidzhan, Tadzhikistan, Kirgizistan and Turkmenistan called for the conclusion, as soon as possible, of a new treaty among sovereign states and the establishment of a most-favored regime for the republics that agreed to this treaty within their economic borders, in their announcement "On Immediate Measures for the Stabilization of the Situations and Resolution of Crisis".

As regards these republics, responsibility for fulfillment of obligations which arise from the economic treaty between the USSR and republics (for example, the "Agreement on the Stabilization of the Socio-Economic Situation in the Nation," economic treaties on the supply of food and raw materials for 1991) would be consequently determined based on an additional treaty, agreed to by all interested parties who would be taking part in the economic treaties indicated.

The following measures could be employed as economic sanctions in [the additional treaty]:

The reduction of centrally distributed and imported resources to republics by an amount equal to the value of production not transferred to the Union budget;

Reduction in subsidies to republics in an amount equal to that not turned over to the All-Union extra-budgetary Fund for Economic Stability and to other All-Union funds;

Employment of USSR State Bank credits in order to erase a republic's indebtedness to the State budget and other funds, while assessing commensurate credit obligations to the USSR State Bank;

Reduce republic contributions to Union reserves by an amount equal to the value of reduced centrally distributed reserves of material-technical resources [to the republics].

It is considered worthwhile in [future] additional agreements that authorized representatives of the USSR and the republics regularly (no less than once every three months) review in joint sessions the place of realization of the treaty and determine the required measures to be imposed on those parties not fulfilling their [treaty] obligations.

A proposal for this additional agreement, in consultation with the Supreme Arbitration Court and the Justice Ministry, was sent by USSR Gosplan to the USSR Cabinet of Ministers on April 30 of this year, as No. 397–P. The amendments recommended in the proposal "Amendments to the Agreement for 991" are already, in essence, economic influence measures which could be employed only following mutual agreement between the USSR and the republics themselves. These recommendations should be purposefully debated with republic leaders themselves. These recommendations should be purposefully debated with republic leaders at the Inter-republican Economic Commission meeting, and a corresponding agreement should be adopted.

In the future, the extent of responsibilities between the USSR and the republics should be defined during the preparation of economic agreements between the USSR and the republics.

As relates to republics, which feel that it is essential to break completely with and secede from the USSR (Lithuania, Georgia, Latvia, Estonia) or those who have adopted an ambiguous position, which have not adopted a final decision on their participation in the renewed Union (Armenia, Moldova), then relations with these republics should clearly be based on the April 3, 1991 law "On the Process by which Issues Involving a Republic's Secession from the USSR are Resolved," or else according to a principle suitable to foreign nations, which refuse to abide by this law. In addition, during the period of transition before the signing of a treaty recognizing their sovereignty, economic questions must be resolved which would defend the interests of the USSR and of those subject to the renewed federation.

Union property located on the territory of these republics must be sold off in its entirety and leased [back] on favorable terms or converted into joint ownership property, preserving for the USSR no less than one half of the property's shares. The possibility should be examined of closing certain enterprises, dismantling the machinery and transferring it from the territory of these republics.

The treaty must include guarantees that these republics will participate in the erasure of the USSR's internal and external debt, and in other obligations agreed to previously with the USSR.

It is essential that credit and currency service to these republics be halted.

Commercial-economic ties with these republics must be based on a greatest advantage principle for the members of the renewed Union. In this regard it is essential that deliveries of raw materials in especially short supply be sharply reduced, as well as those of finished goods, the only exception being deliveries to enterprises remaining under USSR control.

It is essential that deliveries of products imported into the USSR be stopped completely. Simultaneously, it is imperative that imports from these republics to the USSR of those goods whose internal prices are significantly lower than their international prices be sharply curtailed or stopped completely. In addition, subsidies from the USSR budget for the purchase of agricultural products for community reserves will be reduced accordingly.

It is essential that discussions take place concerning the transfer of mutual accounts with non-member republics to an international-price basis, or to prices arrived at on the Union's commodity exchanges.

In order to create the most favorable conditions possible for the economic development of republics which form the unified economic territory, it is essential that the possibility be investigated of instituting, in individual cases, licensing and customs barriers.

It will be essential for the republics participating in the formation of the new Union to review their inter-republic treaties and agreements, eliminating all principles of favoritism towards non-member republics, including access to [joint] Union-Republic hard currency reserves.

Taking into account the need to develop these issues in detail, USSR Gosplan and its departments and functional subunits are charged with preparing, together with USSR ministries and administrative agencies and Union republics accountability and supporting documentation. On the basis of this material, USSR Gosplan will prepare and present to the USSR Cabinet of Ministers a corresponding report no later than June 15, 1991.

V.A. DURASOV.

DEMOCRACY & INDEPENDENCE,
Los Angeles, CA, June 11, 1991.

Hon. DANA ROHRABACHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROHRABACHER: We are pleased to support any efforts you may undertake to cut off all aid to the central Soviet Government in favor of dealing strictly with the independent states/nations/republics of, what has been termed, the Soviet Union.

It is absolutely essential to the continuation of the democratic movement in the 15 republics held captive by the U.S.S.R., that the United States Congress strongly block any attempt by the Bush Administration to give aid, grain and credits of any kind to the Communist Soviet central Government. In addition to our full support for the blocking of all aid under any circumstances to the Communist central Government of the Soviet Union, we ask that all aid and credits be withheld until such time as the central Soviet Government remove all troops, tanks and weaponry from the occupied territories of the republics.

Since the granting of $1 billion in credits to the U.S.S.R. in December of 1990, it is important that your government remember that it was only after these credits were secured by the central government that Soviet troops cracked down in Lithuania. Then, just this past May, thousands of Armenians were deported and more than one hundred were killed by Soviet troops. Congress condemned this repression of Armenians by the Soviet Government but, at the same time, President Bush renewed MFN to the Soviet central Government congratulating these repressions.

As an elected member of the Armenian Parliament and as President of the coordinating center for the democracy movements in the Soviet Republics (Democracy & Independence), I urge the individual nations, particularly in the West, to cease all new credits, grants, loans, aid and to suspend or revoke Most Favored Nation trading status to the Soviet Government until such time as the Central Soviet Government comes into compliance with the United Nations Declaration on Human Rights, the Conference on Security and Cooperation in Europe (Helsinki

Final Act of 1975), the United Nations Covenant on Civil and Political Rights and the Convention Against Genocide.

On July 4 of this year, the anniversary of your great country's independence, by the initiative of Democracy & Independence, a demonstration will be held against the U.S. Embassy in Moscow. It is our very strong belief that it was not the will of the founding fathers of your nation, when they wrote of the freedom, independence and self-determination of men, for America's future leaders to support a brutal and repressive Communist Central Government over the democratic movement in the U.S.S.R. Should the U.S. Government choose to change its current policy toward aiding this violent and murderous regime rather than attempt to end any movement toward democratic change in the U.S.S.R., as has currenty been its policy, this demonstration will not be necessary.

Once again, thank you for your efforts on our behalf in the interest of human rights for all of our peoples.

Signed,

PARUYR HAYRIKYAN,
President, Democracy & Independence.

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I support the amendments offered by Mr. ROHRABACHER to provide assistance directly to the democratically elected governments of the republics.

If it weren't for the niceties of international relations, I'd like to go even further and give economic assistance directly to those who would actually stand a fighting chance of turning the Soviet economy around.

I'm talking about Soviet farmers, about budding entrepreneurs, about the same kind of people that built the American economy, people who built it through hard work, inventiveness, and individual effort.

Giving the money to Gorbachev is not the solution. Gorbachev and his bureaucrats are the problem.

We have already decided to give Gorbachev $1.5 billion in agricultural credits. I'm not sure why.

In a recent New York Times article, a visiting Soviet journalist asked why a country with record harvests for the last 5 years would possibly want $1.5 billion in credits to buy American grain.

Of course, the answer is the Soviet economic system, a system that leaves billions of dollars of farm products rotting away in farmers' fields while Soviet citizens are forced to stand in line for hours to buy a loaf of bread.

The biggest problem in the Soviet Union isn't the Soviet worker; it's the Soviet system. It's the Soviet bureaucracy with its paperwork production goals, its patronage, its Zil limousines, its dachas, its stranglehold on the energies and talents of the Soviet workers.

If we have to give money to government officials in the Soviet Union, I'd like to give it directly to the people who will make the best use of it, officials in the republics.

Giving the money directly to the republics has two economic advantages. First, the republics don't have the huge bureaucracy that the central government has. That means American dollars won't be sponged up by the huge planning departments.

This amendment is an end run around the Soviet planner. We want to turn the Soviet planner into the Maytag repairman. We want to make sure he becomes the loneliest man in Moscow.

The second advantage of giving money directly to the republics is that they are not burdened by traditional Marxist thinking. That means they will be far quicker to adopt the kind of free market reforms necessary to breathe some life into the Soviet economy.

If we are going to give the Soviets some seed money, we want to make sure it falls on fertile soil.

There is also a third advantage, a political advantage. This amendment promotes grass roots democracy. It offers assistance only to democratically elected governments, governments elected through open, free and fair elections.

Democracy grows best at the grass roots. That's true in the United States, in Yugoslavia, in the Soviet Union.

If we really want to help the people of the Soviet Union and Eastern Europe, we should help them get rid of the dry rot at the top: the secret police, the planning agencies, and the hugely expensive armies.

Let's encourage grass roots economic and political democracy in the Soviet Union and in those states that are casting off the vestiges of communism.

I urge Members to vote for the Rohrabacher amendment.

Mr. DREIER of California. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from California.

Mr. DREIER of California. Mr. Chairman, I thank my friend for yielding. I rise in strong support of the Rohrabacher amendment. I find it very interesting that this debate is being held here today, the same day that the first election in 2,000-years is being held in Russia. I think this bodes very well for the future of support to individual republics. It is our hope that as aid packages proceed, we will be able to see them move directly to free and independent republics.

Mr. Chairman, I am very proud of my friend, the gentleman from Long Beach [Mr. ROHRABACHER], who is offering this amendment.

Mr. MOODY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition, not because we do not want democracy in Eastern Europe, we all do, but because this amendment affects two countries, and only two countries. A very different policy is needed for each one, yet this would apply the same policy, with very, very different results.

Mr. Chairman, the two countries affected are the Soviet Union and Yugoslavia. In the Soviet Union, the argument is aimed that the Baltics need this sort of assistance. I will not quarrel with that. But the thing is, there is already a bill, H.R. 2508, which provides $15 million in direct aid to the Baltics. To assume, as this language would do, that the Baltics and the republics of Yugoslavia are somehow comparable, is a very gross misreading.

Mr. Chairman, I spent 2 years in Yugoslavia, and there is no similarity whatsoever. Yugoslavia was already an association of Republics. It came together because they wanted to

The Baltics were the opposite. They were annexed, involuntarily, by the Soviet Union. To lump those two together and assume there is somehow comparability is a very gross misreading, and a very insulting misreading to the country of Yugoslavia.

I would also point out to my friend, the gentleman from California [Mr. ROHRABACHER] that this is the sort of minute micromanaging of the administration's foreign policy, for which we are frequently criticized from your side of the aisle. The administration has a very firm commitment that the country of Yugoslavia shall remain as a nation. That is very much at the top of the administration's agenda. They do not want to do anything which would destabilize Yugoslavia or begin to tear it apart, which is exactly what this amendment would do.

Mr. Chairman, this amendment would begin to drive wedges between the Republics of Yugoslavia, just at the time when that country is hanging in a very delicate balance. For us to be doing this kind of mischief on the floor of Congress, to be aggravating those tensions, to be promoting the destructiveness within Yugoslavia which is tearing that country apart, for the United States Congress to be part and party of a bill which would exacerbate those difficulties, is mischief in the worst sort and micromanaging of the administration's foreign policy.

Mr. Chairman, this goes directly against the administration's policy regarding Yugoslavia.

Regarding the Baltics, as I said, there is already another bill which does this. They are totally noncomparable. Do not mix them together.

Mr. Chairman, I urge defeat of the Rohrabacher amendment. I think we should support the administration in their policy regarding Yugoslavia, and, on the Baltics, it is a totally different issue.

AMENDMENT OFFERED BY MR. PORTER TO THE AMENDMENTS OFFERED BY MR. ROHRABACHER

Mr. PORTER. Mr. Chairman, I offer an amendment to the amendments en bloc offered by the gentleman from California [Mr. ROHRABACHER].

The Clerk read as follows:

Amendment offered by Mr. PORTER to the amendments offered by Mr. ROHRABACHER: In the text proposed to be inserted by the amendment on page 29, after line 2, of the bill, add the following at the end:

Nothing in this paragraph shall be construed to preclude assistance to agencies of such federal governments that promote democratic reforms, human rights, the rule of law, and/or market oriented reforms, provided that funds are not provided directly to any such agency.

□ 1630

Mr. PORTER. Mr. Chairman, this amendment is occasioned by support for a program that we have initiated and want to see continued with the Soviet Union whereby Soviet judges and United States Federal judges meet together so that we may help impart to them in their judicial responsibilities in the Soviet Union an understanding of the rule of law and an understanding of what judicial independence means.

I think it is an excellent interface, but under the Rohrabacher amendment as written, it would not be permitted. So this language simply allows a program of that type where money is not going directly to the Soviet Union or to an agency of the Soviet Government but is going to promote the values that we want to share with them. This amendment would permit that kind of program to be continued. I recommend it to the Members.

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

Mr. PORTER. I yield to the gentleman from New York.

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

Mr. Chairman, I rise in support of the Porter amendment to the Rohrabacher amendment to the foreign assistance appropriations bill and commend both Mr. PORTER and Mr. ROHRABACHER for their efforts and support of this measure.

The proposed amendment to section 862 provides technical assistance for the Baltic States and for democratic governments and nongovernmental organizations in the Soviet Union.

Additionally, the amendment would permit assistance to Soviet governmental agencies that promote human rights, the rule of law, democratic reforms, and market oriented reforms. However, it would limit aid to technical assistance only, prohibiting direct financial assistance to such agencies.

Mr. Chairman, this amendment is needed to continue and expand the State Department's efforts to engage reformers in the Soviet Union in the process of democratic and legal change through such activities as judicial seminars and training, exchanges of legal experts, funding of scholarships for Soviet law students, and support for United States law professors to teach in Soviet law schools.

For example, the State Department recently organized a judicial exchange program whereby three U.S. Federal judges were sent to Moscow for 2 weeks of intensive legal discussions. They attended the Soviet Government's Judicial Training Institute, engaging 42 Soviet judges in discussions and seminars on the independence of the judiciary and the proper role of judges in a democratic society. This program is helping to develop an independent Soviet judiciary that can work against human rights abuses.

Mr. Chairman, in this age of improved United States-Soviet relations, I urge my colleagues to support this important amendment.

Mr. DURBIN. Mr. Chairman, I move to strike the last word.

I will be very brief. I fully support the efforts of this amendment to provide assistance to the Baltic Republics. I have worked with many of the Members on both sides of the aisle because of our belief that they are in fact independent nations and should be recognized as such by the United States.

Regretfully, I will have to oppose this amendment because I believe including Yugoslavia in this amendment complicates it far beyond the simple principles that we are trying to uphold in the Baltic Republics. I have to concur with my colleague from Wisconsin who spoke earlier. I do not believe it does a service to the people in the Baltic Republics for them to be in a position today where they are brought together with the situation in Yugoslavia.

They are not analogous situations, though the people of both areas may be seeking democracy. They are on a different track at a different chronology, and I think it is unfair for Members to lump them together in this instance. I will fully support any efforts by the gentleman from California and others to extend assistance directly to the governments of the Baltic Republics, freely and democratically elected, and to make certain that there is a fair and equitable distribution of any U.S. aid to those republics.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

First of all, let me note that there is no mention of Yugoslavia in this legislation. It simply sets a principle that applies to whatever country we are referring to in terms of supporting democratic republics over any type of centralized system that is controlled by the Communists.

I would like to ask my colleague from Illinois about his amendment. Is it my colleague's intent that this amendment to the degree feasible would be carried out in a way that would go to the democratic republics wherever feasible?

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

Mr. ROHRABACHER. I yield to the gentleman from Illinois.

Mr. PORTER. The gentleman is correct.

Mr. ROHRABACHER. And with that, Mr. Chairman, I would accept the amendment.

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

Mr. ROHRABACHER. I yield to the gentleman from Indiana.

Mr. HAMILTON. We find the gentleman's amendment unobjectionable here, but I do have a question about its impact. If I understand what the gentleman is doing, the Porter amendment is amending policy language and saying in this policy language, adding language which says that nothing shall be construed to preclude certain kinds of activity. What the gentleman is not doing is authorizing those activities. So I just raise the question with the gentleman whether or not the language he offers accomplishes what he seeks to accomplish.

Mr. PORTER. Mr. Chairman, if the gentleman will yield, the gentleman from Indiana is correct that this amends a policy provision, but I find in the three Rohrabacher amendments that this is the appropriate place to add this because there does not seem to be any authorizing language. There seems to be language that states what the policy of the United States is.

I might say to the gentleman from Indiana that in this morning's markup of the foreign operations appropriation bill, that language similar to this was added to that bill in the appropriate section dealing with the funding. So that I assume that, taken together and going to conference on both, we will end up with a proper decision, assuming that the Rohrabacher amendment is adopted and assuming this amendment is adopted.

Mr. HAMILTON. Mr. Chairman, will the gentleman yield further?

Mr. ROHRABACHER. I yield to the gentleman from Indiana.

Mr. HAMILTON. I think the language has merit, and we certainly do not oppose it, but I wanted to clarify that point because I think it is an important point.

Mr. ROHRABACHER. I accept the language.

The CHAIRMAN pro tempore (Mr. DELLUMS). The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER] to the amendments offered by the gentleman from California [Mr. ROHRABACHER].

The amendment to the amendments was agreed to.

Mr. HAMILTON. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the Rohrabacher amendment. First of all, let me acknowledge that the amendment of the gentleman from California is very well intentioned and has some

merit to it, but I think it really does have a detrimental impact on the currently very delicate situation in Yugoslavia.

The first thing I want to point out is what the bill before the committee does with respect to the Baltic States and with respect to the Soviet Union.

The bill that the gentleman from California seeks to amend provides money directly to the Baltic States, and it provides an equal amount of money to nongovernment organizations in the Soviet Union or democratically elected local governments in the Soviet Union.

Now, there has been a lot of talk in support of this amendment with respect to the Soviet Union. But the fact of the matter is that the amendment does not impact the Soviet Union and does not change in any way the language that we have in the bill with respect to the Soviet Union.

We provide the possibility of assistance to nongovernmental organizations and to democratically elected local governments in the Soviet Union. That is already in the bill.

What this amendment does is impact Yugoslavia and provides the possibility of assistance to the republics, the various republics of Yugoslavia that are democratically elected. I would like to indicate to the committee why I think that kind of an amendment is mischievous.

First of all, what it does is it involves the United States directly in the complicated and delicate internal situation in Yugoslavia.

□ 1640

It puts the United States in the position of taking sides in what could very well be an impending civil war in Yugoslavia, and that is not in our national interest to do at this time.

The amendment of the gentleman from California directly contradicts the policy of President Bush and of this administration at the present time. The amendment, in effect, encourages the United States to encourage secession in Yugoslavia, and that should not be the basis of our policy.

We are not in the position now of picking winners or losers in Yugoslavia. This is not the time for that.

In the current situation, if we provide assistance to the various republics in Yugoslavia, we will derail the very important inter-republic talks that are now going on. That is a matter not for the United States but for the republics of Yugoslavia to revolve.

The President has made very clear that he supports unity, he supports democracy, and he supports a peaceful dialog in Yugoslavia. He has rejected the idea of selecting favorites within Yugoslavia, and that is what this amendment seeks to do, to select favorite republics within Yugoslavia.

May I suggest that the President needs flexibility in the coming months in dealing with the delicate situation in Yugoslavia. Yugoslavia's problems cannot be reduced to the simple argument of the good guys versus the bad guys, which is much of the rhetoric in support of this amendment.

We should not reverse very longstanding policy of not taking sides in Yugoslavia.

Mr. Chairman, I think that while this amendment is well intended, and it has certainly considerable appeal, it is an amendment that Members of this body want to look at with very great care and caution, because I believe it could have a detrimental effect on a very delicate situation in Yugoslavia today. It clearly runs counter to American policy in Yugoslavia.

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. HAMILTON. I am happy to yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, I listened intently to the gentleman's remarks, which I think were well considered.

The CHAIRMAN pro tempore (Mr. DELLUMS). The time of the gentleman from Indiana [Mr. HAMILTON] has expired.

Mr. COX of California. Mr. Chairman, I move to strike the last word.

If the portion of this legislative language dealing with Yugoslavia were severed, would the chairman support the amendment offered by the gentleman from California [Mr. ROHRABACHER]?

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

Mr. COX of California. I am happy to yield to the gentleman from Indiana.

Mr. HAMILTON. My understanding is if the language is taken out of these several amendments dealing with Yugoslavia, you would then have language dealing only with the Baltics, and I find that language unnecessary, quite frankly.

The amendment does nothing for the Baltics that is not already in the bill.

Mr. COX of California. I have read carefully these amendments, and it is my view and understanding from the legislative language that it would apply in that case to all of the Republics comprising the Soviet empire.

Mr. HAMILTON. Mr. Chairman, I am sorry, I did not hear the gentleman. Would he repeat his concern?

Mr. COX of California. It is my view, having read the legislative language, as so amended, in the matter that we are discussing, it would then apply to all of the constituent Republics of the Soviet Empire, not just the Baltics, and I should say and the Baltics, which the United States does not recognize as part of the Soviet Empire.

Mr. HAMILTON. If the gentleman will yield further, I think the gentleman, if I understand, and I am just looking at the language now, it provides directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States.

Mr. COX of California. There is a conjunctive; it goes on to say after the comma, "and any republic within the Union of Soviet Socialist Republics that has a democratically elected government."

Mr. HAMILTON. The gentleman is operating from a different amendment than I have. We may have different language. I am operating on the basis of language that was furnished to me by the minority.

Mr. COX of California. It is an en bloc amendment, what I am reading from, and it has the code number at the top that says ICA91A097.

Mr. HAMILTON. I think, if the gentleman would yield further, that we are dealing with two different amendments.

Mr. COX of California. Mr. Chairman, I would ask of my colleague, the gentleman from California [Mr. ROHRABACHER]: Is it the gentleman's understanding that the legislative language that the gentleman is offering applies exclusively within the Soviet Union to the Baltics, or would it apply to any republic?

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

Mr. COX of California. I am happy to yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, this legislative langauge does not mention the Soviet Union, or it does not mention Yugoslavia. It sets a basic, fundamental principle that we will not be providing our foreign aid to any Communist dictatorship as long as there is a democratically elected republic within the confines of that country, and in terms of the Soviet Union, this language is very specific. We are not just talking about the Baltics. We are talking about all of the democratically elected republics within the Soviet empire. It is not about Yugoslavia. It is not about the Soviet Union. It is not Serbs versus Croats. It is democracy versus communism.

For those who would try to change the nature of this debate and try to focus on, you might say, issues in terms of ethnic issues, rather, in terms of principle, the principle of this legislation is very clear, and in terms of just the Soviet Union, it does not deal with the Baltics alone. It is very clear that this legislation deals with all of the elected republics.

Mr. COX of California. Reclaiming my time, I asked the question, because it is my understanding that the gentlewoman from Maryland may be offering an amendment that would strike the portions dealing with Yugoslavia, and I wondered if in that case the chairman would be willing to support the amend-

ment offered by the gentleman from California [Mr. ROHRABACHER].

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

Mr. COX of California. I am happy to yield to the gentleman from Indiana.

Mr. HAMILTON. Before I try to answer that question, we simply must get clear as to what countries and what republics we are talking about here. Several times, on several occasions, the gentleman from California who offered the amendment has said that he is not talking about Yugoslavia. One of these amendments that I have mentions Yugoslavia by name.

Second, he says, if I understand the other gentleman from California correctly, that the language which I quoted a moment ago applies to republics other than the Baltic Republics. Let me quote the language I have in front of me to make sure we are talking from the same sheet of music here.

It says, "to provide assistance directly to democratically elected governments of republics within any country that has a federal system of government in which the Federal Government has a ruling Communist majority." Now, that language, we believe, applies to Yugoslavia, and in one of the other en bloc amendments, Yugoslavia is specifically mentioned.

Mr. ROHRABACHER. If the gentleman will yield further, that is correct, as a matter of principle.

Mr. HAMILTON. The second part of the language is, "as well as directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized in the United States."

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. COX] has expired.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to take some time myself, but for this purpose, I yield to the gentleman from California [Mr. COX] for the purpose of a colloquy.

Mr. COX of California. Mr. Chairman, I think I may have resolved our difficulty with the legislative language. The language from which the chairmen was reading is styled as an amendment, as it were, to the Support for East European Democracy Act, the SEED Act, and for that purpose, I think the chairman is correct. It covers only the Baltic States and Yugoslavia.

Another part of the en bloc amendments is meant to strike out at page 575, lines 5 through 9, and insert in lieu thereof the following, "Paragraph (b), East European Countries. For purposes of this act, the term 'East European country' includes," and if Yugoslavia were stricken, it would say, "any state whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States and that has a democratically elected government, and any republic within the Union of Soviet Socialist Republics that has a democratically elected government," and it is on that basis that I believe we should be able to agree that the gentleman from California has offered language that would apply to all of the constituent Republics of the Soviet Empire as well as to the Baltic countries.

□ 1650

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

Mr. BEREUTER. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, some of this wording has to be put down in order to meet the sensitivities of people in the Baltic States who do not believe that they were ever incorporated into the Soviet Union or that they were ever Soviet Republics. The purpose of some of this language problem, at this point in time, was simply to take care of that sensitivity.

Mr. BEREUTER. Mr. Chairman, reclaiming my time, I would say that I think it is imperative that the amendments offered by the gentleman do not reach to Yugoslovia. It is crucial that we not, in effect, throw gasoline on a fire.

If, in fact, we are providing assistance or offering the possibility of assistance to Slovenia, to Croatia, but not to Serbia, and that would be the effect of the situation at the moment, then indeed we are moving in a fashion that is contrary to the policy of this administration. This administration is trying its best by public actions and by diplomatic means, to keep this loose confederation of republics together as the nation of Yugoslavia.

Last year when we had debate on this issue, we were concerned, and defeated an amendment which would have addressed the problem in Kosovo, because it would be deemed to be divisive within that nation, betwen Serbs, Croatians, Slovanians, and others.

I think the gentleman from Illinois [Mr. DURBIN], the gentleman from Wisconsin [Mr. MOODY], and the chairman of the Subcommittee on Europe and Middle East have made this point very well. Either the gentleman from California [Mr. ROHRABACHER] has to find a way to remove Yugoslavia, or this gentleman has to oppose it.

I will ask the gentleman one more question: If we are talking about the Republics of the Soviet Union, I certainly am of the view that perhaps assistance should be given to the Baltic Republics; but what about Moldavia? Moldavia, of course, is in part made up of an area that was annexed by the Soviet Union into its borders, and we have never recognized that annexation. Please address how the gentleman would treat not only the Baltic nations, but Moldavia as well.

Mr. ROHRABACHER. If the gentleman will yield for a question, what makes the gentleman think that Serbia would be left out of an aid program from my legislation? What would lead the gentleman to that conclusion?

Mr. BEREUTER. Reclaiming my time, I would say it is my understanding from the gentleman's description of his amendment that he is dealing with democratically elected governments. There is at least some question, as I understood it, between whether or not all of the Republics of Yugoslavia have had democratic elections.

Mr. ROHRABACHER. If the gentleman will yield, according to my legislation, if Serbia had a free and fair election which was recognized by the United States, and that Serbia was recognized as a democratic republic, they would not be left out.

Mr. BEREUTER. That is correct, but there are other republics that have not had the kind of election they have in Croatia.

Mr. ROHRABACHER. If the gentleman will continue to yield, that is correct. Would the gentleman suggest that it is proper for the United States to set limits, that our aid is not flowing to Communist controlled dictatorships rather than democratic republics?

Mr. BEREUTER. Reclaiming my time, this gentleman supports the policy of the administration that we are not going to pull apart by our actions that nation of Yugoslovia. The best policy for the United States is to encourage democracy, to encourage that confederation to stay together, and to live peacefully. That should be our objective. That is why the administration would oppose any amendment that differentiated in our treatment among the republics of that country.

Mr. FASCELL. Mr. Chairman, I strike the requisite number of words. I have listened to the debate very carefully, and I read the language of the gentleman's amendment. He made it very clear that this ideological struggle he is trying to perpetuate legislatively applies strictly to the Soviet Union and Yugoslavia, by the definition of his own amendments.

I do not see, after reading the three amendments, how in the world they can be cleaned up without rewriting them, to do whatever it is he is trying to do, to get a vote on whether a Member is for Communist government or against the Communist government. Frankly, that is not the issue. The fact is that this bill contains no aid to any Communist governments, but we do have a proviso in the bill that recognizes that the Baltic States and other democratically elected governments in the Soviet Union could be eligible recipients for assistance.

Of the assistance that is provided, $15 million for economic assistance, we say specifically in the language of the bill that half shall be allocated for assistance to the Baltic States of Estonia, Latvia, and Lithuania, and half allocated for assistance to eligible recipients in the Soviet Union that request technical assistance from the United States.

If my colleagues will turn to the next page it says, what is an eligible recipient? I want to be sure this is understood, so that we do not get hung up on whether or not there is a Communist under the bed again. That definition is the government of any republic and any local government within the Union of Socialist Republics that were elected through open, free, and fair elections. I do not know much cleaner we can get. I do not see where the gentleman's amendment adds anything to that, it sure adds a lot of confusion with regard to the issue of Yugoslovia and the problems there.

The definition goes on to include "Any indigenous nongovernmental organization in the Soviet Union that promotes democratic reform and market-oriented reforms." So, the core of what the gentleman proposes or seeks to get at in his amendment is not in the bill, unless he is trying to backtrack on the President's granting of agricultural credits to the Soviet Union. If the gentleman wants to do that, his amendment does not reach that.

This amendment simply clouds the issue of the very clear policy statement that we have laid down in this bill, and it gets into the struggle that has gone in with regard to the matters in Yugoslavia. There is no reason for the United States, as a matter of national policy, by legislation, to appear to be taking sides in that struggle, when it is the national policy of the United States, supported by this President, that we are trying to do what we can to make sure that that place does not fly apart.

Mr. Chairman, the only sensible action is to vote down the Rohrabacher amendment. The language in the bill is explicitly clear. We support only the government of any republic in a local government within the Union of Socialist Republics which was elected through open, free, and fair elections. I do not know how we can say it any plainer than that. As far as the Communists are concerned, they can shift for themselves. I urge a no vote on the Rohrabacher amendment.

Mrs. BENTLEY. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I had some amendments that I had sent to the desk to perhaps clean up the Rohrabacher amendment, eliminating Yugoslavia. However, I am not going to ask that those be brought up at this time.

I concur with the chairman of the committee, the gentleman from Florida [Mr. FASCELL] and the gentleman from Indiana [Mr. HAMILTON], as I concur with the gentleman from Illinois [Mr. DURBIN] and the gentleman from Wisconsin [Mr. MOODY], and the gentleman from Nebraska [Mr. BEREUTER] that this amendment should be voted down. It is confusing, and very confusing.

As has been said, I think we need to emphasize that current United States official policy is one of steadfastly refraining from taking sides in the complex ethnic disputes that have been rocking Yugoslavia in order to promote internal stability without bloodshed.

Yugoslavia has been on the brink of a bloody civil war. Last week and over the weekend, leaders from the six republics reached a fragile accord regarding further steps toward a unified Yugoslavia. Language in the Rohrabacher amendment would give de facto recognition to the six republics as separate sovereign states by directly providing SEED money not to Yugoslavia as a whole, but to specific republics. That is against our policy.

This is in conflict with United States official policy in two ways: One, the sovereign State of Yugoslavia would be superseded by its component political parts; and two, the United States would show bias toward specific republics. In fact, the State Department has communicated to me their confusion as to the purpose of this amendment.

□ 1700

President Bush, in a March 1991 letter to Prime Minister Markovic of the Yugoslavian Federation, stated:

It should be absolutely clear that the United States does not and will not favor any particular national or ethnic group in Yugoslavia. At the same time, we want to see differences among nationalities resolved within the framework of a single, democratic Yugoslavia and will not encourage or reward those who would break the country apart.

A State Department release on May 24 reiterates this point:

By unity we mean the territorial integrity of Yugoslavia within its present borders. We believe that the ethnic heterogeneity of most Yugoslav Republics means that any dissolution of Yugoslavia is likely to exacerbate rather than resolve ethnic tensions.

And that is exactly what we do not want to do.

In addition, both the World Bank and the European Economic Community are on record as opposing the breakup of Yugoslavia.

Mr. Chairman, there is no doubt that Yugoslavia is facing some very real and very serious problems. These problems are those that the nation inherited as a result of the system that the Communist dictator, Marshal Tito, imposed upon it, a system that we accepted as long as it suited our strategic interests.

Yugoslavia may no longer be a chip in the poker game of East-West security interests. Nevertheless, it remains a friendly nation to the United States.

We should not take this opportunity to reverse decades of United States policy toward Yugoslavia with this amendment, which is very insulting to the Government of Yugoslavia.

Mr. Chairman, we should vote down the Rohrabacher amendment.

Mr. OAKAR. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I am happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I would like to associate myself with the thrust of what the gentlewoman said. I do not think this is the time to undermine some of the workings that are going on in Yugoslavia. Certainly there are problems there within various republics. We all know that, but I think for this Congress in this manner to undermine the threat of stability of the Yugoslavian Federation at this time is the wrong time. Maybe in the future there may be separate republics once there is a stable approach to it, but this is I think very superficial.

The gentlewoman from Maryland is right. I chair the subcommittee related to oversight over the World Bank, and that is absolutely accurate. They do not support this concept at this time, and we are going to jeopardize important projects to get that area and that region. For the sake of each ethnic identity, we should vote down this amendment.

Mrs. BENTLEY. Mr. Chairman, I thank the gentlewoman from Ohio.

Mr. SARPALIUS. Mr. Chairman, I move to strike the requisite number of words. I will be very brief.

I have had the opportunity to go to Lithuania twice in the Baltic States in the past 2 years. I have been involved in their struggle for independence.

I recently got off the phone and discussed these amendments with organizations that are located within the United States that are supporting the cause for independence in Lithuania. They have a tremendous amount of concern about the way these amendments are worded as far as recognizing the Baltic States as a republic of the Soviet Union.

I think we should make it very clear that 50 years ago at the end of the war when the Soviets took over those Baltic States, they took them over by force. For the past 50 years, every President in this country has never, ever recognized the presence of the Soviet Union in those Baltic States until now. Because we have not given them the recognition that they so rightly deserve, they are still struggling to gain that recognition.

I commend Congress for taking a giant step toward giving some financial assistance to those Baltic States, but I am very concerned about the wording

of these amendments by again expressing our country as recognizing the Baltic States as a republic of the Soviet Union.

Mrs. VUCANOVICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to associate myself with the others who have spoken in opposition to the Rohrabacher amendment, as amended, which I believe is a direct threat to the stability of the Yugoslavian Federation.

The issue of assistance to the Republic in Yugoslavia is a very complex matter. Recently, leaders from the six republics reached a fragile agreement regarding further steps toward a unified Yugoslavia. To compare this voluntary action to the situation in the Soviet Union is quite misleading. Assistance directed to individual republics in Yugoslavia would only destroy the existing delicate balance in this country, which is striving for unity.

Problems in Yugoslavia cannot be reduced to the good versus the bad, nor are the problems ideological in nature—such as Communists versus non-Communists, as is presented in the Rohrabacher amendment. Problems in Yugoslavia are ethnic tensions between the Serbs and the Croatians, which have been present for decades. The United States should continue the policy of not taking sides in Yugoslavia's ethnic disputes. All constituencies should receive full and fair consideration of our Nation.

Mr. Chairman, for the reasons I have listed, I urge my colleagues to please support Yugoslavian stability and defeat the Rohrabacher amendment.

Mr. KLECZKA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as I have indicated, I rise in strong opposition to this amendment. The longer the debate goes on, the more confused the Members are getting.

We are told that the Rohrabacher amendments en bloc only state a general policy, and that is one of direct aid to democratically elected republics, but basically, if you look at the amendments as my friend, the gentleman from Indiana [Mr. HAMILTON] has said, what we are trying to do here is provide for direct aid to the republics in Yugoslavia.

Let us make no mistake about it. The bill, it is my understanding this is correct, that the bill already provides aid to the Baltic States, so that bascially that should not even be a question.

I think when the gentleman from Indiana [Mr. HAMILTON] says the amendment is unnecessary for that stated goal, he is very accurate.

So what is left in the amendment? As the other speakers have indicated, it is aid to the republics in Yugoslavia.

Mr. Chairman, by aiding individual republics in Yugoslavia with direct assistance, the authors want the United States basically to take sides in this conflict. If we do so, we will only worsen the bloodshed and the tension and undermine the good faith negotiations.

Yugoslavia, Mr. Chairman, is close to civil war. The last thing the Yugoslav republics need is direct assistance when delicate negotiations to avert a civil war are underway.

This amendment is in direct contradiction to the President's stated policy. The policy is to let the Yugoslav people decide their own future in a democratic fashion. So far the policy has helped to avoid civil war.

The State Department also openly opposes this amendment.

The authors link Yugoslavia and the Baltic States. They confuse apples and oranges. The two situations could not be more fundamentally different. Direct aid to the Yugoslav republics will propel that nation into civil war.

Similar aid to the Soviet republics would not do the same to the Soviet Union.

Yugoslavia is a voluntary union of republics; the Soviet Union is not.

Mr. Chairman, direct assistance to the republics will result in bloodshed and threatens the development of democracy in Yugoslavia, and I urge my colleagues to vote against the amendments.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is a good amendment. I would hope the committee would pass it.

I recognize that there are some problems with regard to Yugoslavia and perhaps those can be taken care of, if not today, at some later time; but my interest and concern is primarily that of the Soviet Union, with the U.S.S.R.

Last December I led a delegation from the National Republican Institute for International Affairs to the Soviet Union to discuss with the democratic opposition there the chances for and ways we might assist in promoting democracy, and it was very plain to me that all those people with whom we spoke, and we spoke with almost all of the legitimate democratic opposition leaders, it was very plain to me that they believed very strongly that the Central Government, the Supreme Soviet and so on, is using their power to put down the movements toward democracy in the republics. They felt, for example, that the food shortage that was going on then, and I suppose still is, was being exacerbated by the Central Government.

□ 1710

And they ask that aid go to the cities and the republics. And I think that what we are talking about in this amendment insofar as the Soviet Union is concerned is a way that we can be of assistance and to promote democracy in that country.

I would point out, for example, that in the Russian Republic, long before Gorbachev went back, again, in one more of his convolutions to promote private property, that the Russian Republic was already doing that, as was the city council of the city of Moscow.

So I would hope that my colleagues would support the Rohrabacher amendments.

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

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. ROHRABACHER. I thank the gentleman for yielding.

Mr. Chairman, we hear a lot of talk today about confusion. We hear a lot of talk about how people do not understand the issue. I can assure all of you that there are people around the world who understand what the issue is here today. They are not confused. They are not confused when they see simple language that says it is the policy of the United States to support democratic republics, when there is an option to support democratic republics over Communist central governments.

The people in Communist prisons are not confused, the people who live under tyranny are not confused. I would hope that my Members would take a look at this language and try to find the true intent of this legislation and to understand that it is in keeping with the principles of the U.S. Government and the values of our people that we side with those poeple who believe in democracy and the reformers who are trying to establish democractic institutions whether they are in Yugoslavia or the Soviet Union.

Now we are told we must side with stability. Stability? I thought we stood for freedom in this country.

I thought that our people fought these wars and so many people over the years have sacrificed so that our country can stand for something better than other countries, better than stability with the Soviet Union or stability with Nazi Germany.

We are supposed to be a country that believes in individual liberty. Our Declaration of Independence did not talk about freedom being the rights of Americans, it talked about freedom and independence and those God-given rights being the rights of all mankind.

For God's sake, let us not try to put fog in this hole when we have the pictures of George Washington and Lafayette watching us.

People in other countries understand what is going on here, and they will understand if we vote this chance down

because they will not only be disappointed, their hopes will be dashed because they know that the United States of America is their only hope.

I do not care what the pinstripers over at the State Department say; they are not the ones who stand for values of this country. No one elected them. We were elected, and we were elected to reflect the democratic values of this country.

We can put up a big fog bank and say we are confused, or we can talk about our fundamental principles. Yugoslavia will not be pouring gasoline on the fire to stand for freedom, it will enforce our will in the sense that we will be giving an incentive to the Communists in Yugoslavia to reach a compromise with those people who are pushing for democratic reform. That will be the effect of this. It will not be a rendering, it will be a coming together.

If we vote this down, the Communists in Yugoslavia will never reach a compromise. They will not feel compelled to reach a compromise, because all of you will have given them the message that we do not care whether they are a dictatorship or a democracy.

Mr. HAMILTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time just to express to the Members my understanding of what the bill does and what the amendment does.

I want it very clear that the bill, as it stands, provides assistance to the Baltics, Estonia, Latvia and Lithuania. As it stands, the bill provides assistance to democratically elected republics and local governments in the Soviet Union and it also provides assistance to nongovernment entities in the Soviet Union.

It is my understanding that, despite all of the rhetoric here, that the gentleman's amendment does not add anything to the bill with respect to the Soviet Union, because we already have a provision that takes care of democratically elected local governments and republics.

It is my understanding that the gentleman's amendment does add to the bill by making it possible to provide assistance to the republics of Yugoslavia. And that is the portion of the bill that I think is certainly contrary to the policy of President Bush and, secondly, though well-intentioned, will have a very detrimental effect on an exceedingly delicate situation in Yugoslavia.

The amendment runs counter to what American policy has always been in Yugoslavia, and that is to promote the unity and the democracy and dialog, the peaceful dialog, in the country. What this amendment does is say that we are going to take sides in Yugoslavia now, and, at the delicate point that the country is at, that is a bad mistake for this country to make.

So I think this amendment, though very well-intentioned, has a great deal of capacity for achieving mischief.

Mr. Chairman I urge the Members to vote against it.

AMENDMENTS OFFERED BY MR. COX OF CALIFORNIA TO THE AMENDMENTS OFFERED BY MR. ROHRABACHER, AS AMENDED

Mr. COX of California. Mr. Chairman, I offer amendments to the amendments, as amended.

Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The Clerk will first report the amendments.

Mr. FASCELL. Mr. Chairman, reserving the right to object, I have been burned once and I do not want to get burned again.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

Mr. COX of California. Mr. Chairman, I offer amendment No. 1.

Mr. FASCELL. Mr. Chairman, I am not insisting; I would like to know what the amendments are, to what, is it printed in the RECORD, or what are we doing here?

The CHAIRMAN pro tempore. As soon as the Clerk has the amendments before him, he will report them, and then the gentleman may question.

Mr. COX of California. Mr. Chairman, I ask unanimous consent to consider the amendments as read.

Mr. FASCELL. Mr. Chairman, I am sorry, I just cannot do that. At least give us the courtesy of seeing the amendments.

I want to reserve points of order, the right to object, and anything else.

The CHAIRMAN pro tempore. The gentleman reserves his points of order and his right to object.

Mr. FASCELL. Mr. Chairman, burn me once, it is OK; burn me twice, it is my fault.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. COX of California to the amendments offered by Mr. ROHRABACHER, as amended: Page 29, after line 2, insert the following:

"(D) With regard to economic assistance under this Act or the Support for East European Democracy (SEED) Act of 1989 for countries that are in transition from communism to democracy, it shall be the policy of the United States, to the extent feasible, to provide assistance directly to democratically elected governments of republics within any country that has a federal system of government in which the federal government has a ruling communist majority, as well as directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States); *Provided*, That economic assistance to Yugoslavia, otherwise authorized by law shall not be prohibited as a consequence of this provision. As used in this subparagraph, the term 'democratically elected' means elected through open, free, and fair elections.

Page 403, after line 18, insert the following:

"(4) EXCEPTION FOR ASSISTANCE TO DEMOCRATICALLY ELECTED GOVERNMENTS OF REPUBLICS.—Subsection (a)(1) does not apply with respect to assistance provided directly to democratically elected governments of republics within the Soviet Union or States whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States. As used in this paragraph, the term 'democratically elected' means elected through open, free, and fair elections.

Page 575, after line 9 insert the following:

"(c) EAST EUROPEAN COUNTRIES.—For purposes of this Act, the term 'East European country' includes any state whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States and that has a democratically elected government, and any republic within the Union of Soviet Socialist Republics that has a democratically elected government. As used in this subsection, the term 'democratically elected' means elected through open, free, and fair elections.".

The CHAIRMAN pro tempore. The Chair will rule that because Rohrabacher amendments are en bloc and these amendments are amendments to the en bloc amendments, they are in order and do not require unanimous consent.

The gentleman is recognized for 5 minutes.

Mr. COX of California. I thank the chairman.

Mr. Chairman, I have watched this debate with great interest. I have been persuaded, frankly, by a number of arguments by my colleagues on both sides. I think that, in particular, the situation in Yugoslavia is a sensitive one, and I have observed that a number of my colleagues would be willing to support the Rohrabacher amendments offered en bloc were it not for the provisions dealing with Yugoslavia. It seems to me that the points raised by my colleague from California with respect to Yugoslavia are meritorious. I hope that we can debate them, perhaps even later on in the context of this bill. I think we would benefit, however, from focusing now on the areas of our agreement. I think this body is in general agreement that there is much to be said for sending aid, if we are to send aid at all, and I add that the Rohrabacher amendment does not call for sending any aid at all but sending that aid to democratically elected governments rather than, in specific, to the center, to the Kremlin.

□ 1720

Mr. Chairman, this amendment is being offered today, as the gentleman from California [Mr. DREIER] noted earlier, on a day when the people of Russia; not the people of the Soviet Union, but the people of Russia, are going to the polls for the first time in 2,000 years, and what they will do, we all know, is overwhelmingly vote to reject communism, to reject the policies of the center, of the Kremlin. At the same time the people of Leningrad are going to the polls, and they are going to vote

to change the name of that city to reject the legacy of Vladimir Lenin, the superczar, the father of communism in the Soviet Union, and rename that city St. Petersburg.

On a day when that is happening, I think it is fitting for us to adopt the amendments of the gentleman from California [Mr. ROHRABACHER] as they apply to the Soviet Union, and that is why I am offering my amendments en bloc to the Rohrabacher amendments to strike those portions dealing with Yugoslavia so we may focus on our areas of agreement.

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

Mr. COX of California. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I appreciate what the gentleman from California [Mr. COX] is trying to do. We are trying to figure out if what he says is what he does. All right?

Now, as I understand it, what the gentleman is trying to do is take Yugoslavia out of the language of the amendments of the gentleman from California [Mr. ROHRABACHER] either specificially or generically; is that correct?

Mr. COX of California. Mr. Chairman, the gentleman is correct, both specifically and generically.

Mr. FASCELL. Mr. Chairman, one of the questions that arises, therefore, is this: That in the effort to do that there is no program in this bill for the Soviet Union, and some of this language would make it appear as if it would not make the Soviet Union eligible for SEED money, which we would not support.

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

Mr. COX of California. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, let me just reinforce that, if I may.

We are looking now at the amendment that begins, "page 575, after line 9, insert the following," and it has the East European countries.

Mr. COX of California. Yes.

Mr. HAMILTON. What is said there is "any republic within the Union of the Soviet Socialist Republics that has a democratically elected government," and the way the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], and I are interpreting this, the effect of the gentleman's amendment, is to make any of the democratically elected governments in the Soviet Union eligible for all of the programs under SEED.

Mr. Chairman, the effect of that could be to take all or a large part of the money now given in Eastern Europe and send it to the Soviet Union, to the democratically elected republics. Is that what the gentleman intends?

Mr. COX of California. Mr. Chairman, reclaiming my time, it is the purpose of this gentleman to ensure that none of the funds provided under this bill goes to Communist governments, specifically the Communist government in the center, in the Kremlin.

As one who, as the gentleman knows, worked originally on the SEED Act, I am also very much interested in assisting countries in Eastern Europe that are seeking to rid themselves of communism, and that is why, when originally we designed the SEED Act, we provided specifically for assistance to Poland and to Hungary. The purpose, as I understand it, of the amendment of the gentleman from California [Mr. ROHRABACHER] is to essentially prohibit any funds from this bill being distributed to a Communist government anywhere in Eastern Europe or in Moscow, but permitting assistance to governments like that in Poland and in Hungary that have been democratically elected and are seeking to rid themselves of communism.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The time of the gentleman from California [Mr. COX] has expired.

Mr. DOOLITTLE. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I think we understand what the gentleman is trying to do, remove Yugoslavia from the amendment of the gentleman from California [Mr. ROHRABACHER], and we approve of that obviously.

However, Mr. Chairman, the amendment that I was referring to a moment ago defines East European countries, and what the gentleman is doing is making the Soviet Union an Eastern European country for purposes of the SEED Act, if I understand it, so that all of the moneys that we now make available for SEED, Poland, Hungary, Czechoslovakia, could flow to the Soviet Union.

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, the purpose of the language that was read just a moment ago that says that for purposes of this act the term "East European country" includes, and I will read now, "any state whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States and it has a democratically elected government," is obviously to get us at the Baltic countries.

Mr. HAMILTON. That is right.

Mr. COX of California. Going on: "any republic within the Union of Soviet Socialist Republics that has a democratically elected government," might get us, might get us to a Georgia, for example.

Now it seems to me that this program makes a great deal of sense as applied to democratically elected governments of that sort, and I would not be prepared automatically to say that we should not authorize support for democratically elected governments within the Soviet Union.

Now of course Moscow is going to take the position that Lithuania is within the Soviet Union, and we are in this bill expressly providing assistance to Lithuania nonetheless, and I think that the same argument ought to apply to Georgia.

Now of course we agree that Lithuania, Latvia, and Estonia are not part of the Soviet Union, but neither does Georgia want to be. It has declared its independence.

Mr. HAMILTON. Mr. Chairman, would the gentleman yield further?

Mr. DOOLITTLE. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, the difference then is this: the bill that we have provides a very limited amount of assistance to the democratically elected governments, republics and local governments in the Soviet Union. That amount of money is $7.5 million. The amendment of the gentleman opens up all of the money that is authorized for the SEED program. That is roughly $400 million. All of that money then could be used under the gentleman's amendment for democratically elected republics in the Soviet Union, if I understand it, because what the amendment does is to define the countries that are in the Eastern European area.

Mr. COX of California. Mr. Chairman, will the gentleman yield for a question?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, in whose discretion would that SEED money be distributed?

Mr. HAMILTON. If the gentleman would continue to yield, obviously it would be pursuant to law, and it could be distributed to any of the countries that qualify under this definition.

Mr. COX of California. And in whose discretion would that money be allocated?

Mr. HAMILTON. It would be the discretion of the President.

Mr. COX of California. Mr. Chairman, if the gentleman will continue to yield, I think that is the point, and earlier in the gentleman's remarks I listened carefully and understood that his objection was based upon the fact that vis-a-vis this particular amendment we might be diverging from the policies of President Bush, and I think, certainly as one who used to work as a lawyer for President Reagan, I understand the prerogatives of the Executive in foreign policy. I would agree with the Chairman that we ought not to intrude on that discretion. This amendment

maintains the President's discretion punctiliously in that respect.

Mr. HAMILTON. Mr. Chairman, if the gentleman would yield further, I just want to make it clear so that everybody knows what they are doing here. What they are doing here is opening up $400 million that can go to the democratically elected Republics of the Soviet Union. Now that just does not seem to me to be a wise step to take at a time when we are engaged in very delicate negotiations with the Soviet Union, and the great debate in this country is: Are we going to enter into some kind of a grand bargain in the Soviet Union?

May I point out that to the extent the gentleman diverts money and gives it to the Republics of the Soviet Union, he takes that money away from Poland, and from Hungary, and from Czechoslovakia, and I do not think that is visible.

So, just to conclude, the purpose of the amendment of the gentleman from California [Mr. COX], the principal purpose of his amendment, is to exclude Yugoslavia from the amendment of the gentleman from California [Mr. ROHRABACHER], and I support that and commend the gentleman for it. But I must say this language, I think, opens up a vast domain of assistance to the Soviet Union that I think is unwise.

□ 1730

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

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, was it not the understanding of the gentleman that the opposition from the other side was just to Yugoslavia?

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, that is what I understood during the previous portion of the debate, and that is why I offered my amendment.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, just so I can finish offering my amendment, let me simply conclude and tie a bow around this discussion by saying it is my purpose, as the author of these amendments, simply to focus us on our obvious common area of agreement, and that is to deny United States assistance to the Kremlin; to instead focus any aid, and this amendment does not in fact require any aid, but to focus any aid that is given only to democratically elected governments.

Mr. Chairman, it is thus best looked at as an amendment that prevents aid from going to the center, rather than encouraging it to go where it otherwise was not going.

Mr. Chairman, I would simply say for the benefit of all Members who will be called upon to vote upon this, that as a matter of legislative history, it is clearly my intent and the intent of every Member engaging in colloquy on this subject, that we not direct any special aid into the Soviet Union. Rather, the purpose of this amendment is to carve out Yugoslavia for subsequent debate, and to focus us on this legislative prohibition on aid to Moscow center.

Mr. FASCELL. Mr. Chairman, reclaiming my time, I just took this time to make it positively clear that I was opposed to all aspects of the Rohrabacher amendment, both as it applies to the Soviet Union and as it applies to Yugoslavia, with the amendments or without the amendments, and with the new offer that has just been made on the floor here by a consolidated amendment.

There is nothing in this bill nor anywhere else that provides any assistance to the Soviet Union. So I do not know what the gentleman is after.

Now, the gentleman says he is willing to take Yugoslavia out of it, both specifically and generically. I hope that is the case. I accept it as that. But I am not ready to accept an enlargement of authority to the President of the United States, even though it may be discretionary, when that authority is not now in the bill.

Mr. Chairman, this does not make any sense to me. I do not know why we would want to do that even in the enthusiasm, the zeal, the anxiety to get a vote on no aid to Communists. If you want to do that, just print a big sign, "No aid to Communists."

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. COX of California. Mr. Chairman, I appreciate the remarks of the gentleman from Florida [Mr. FASCELL]. In fact, I have appreciated this discussion. This has been a rare opportunity actually to craft legislation in collegial fashion.

Mr. Chairman, I am persuaded by the remarks of the gentleman from Florida [Mr. FASCELL], and I am willing, having offered three amendments en bloc, to withdraw that amendment labeled amendment No. 3. That would leave us with amendments 1 and 2. It seems to me that addresses in its entirety the objections raised by the Chairman.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from California?

Mr. FASCELL. Mr. Chairman, reserving the right to object, I yieled to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, I want to make sure I understand the impact of what the gentleman from California [Mr. COX] has done. If you take out the amendments that the gentleman and I had a colloquy about, the impact then of the remaining two amendments that are being offered is to exclude Yugoslavia from the Rohrabacher amendment specifically?

Mr. COX of California. Mr. Chairman, if the gentleman will yield, that is right.

Mr. HAMILTON. Also generically, as the gentleman from Florida [Mr. FASCELL] says, is that correct?

Mr. COX of California. Mr. Chairman, that is correct.

Mr. HAMILTON. Mr. Chairman, if that is correct, then we can accept the gentleman's two amendments.

Mr. COX of California. Mr. Chairman, we also need to have an agreement that the No. 3 amendment, the amendment which I withdrew, also includes language in the original Rohrabacher amendment that I was amending. That language in its entirely must be stricken from the Rohrabacher amendment for our understanding to make any sense. That is to say, we should not make any amendment to the SEED Act.

The CHAIRMAN pro tempore. The Chair would inquire, is it the intention of the gentleman from California [Mr. COX] to withdraw the third part of his amendment, or the third part of the Rohrabacher amendment?

Mr. COX of California. Mr. Chairman, the third part of the Rohrabacher amendment.

PARLIAMENTARY INQUIRY

Mr. FASCELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FASCELL. Mr. Chairman, the gentleman from California [Mr. COX] did not propose the Rohrabacher amendment. How can the gentleman withdraw it?

The CHAIRMAN pro tempore. The sponsor, the gentleman from California [Mr. ROHRABACHER] should make such a request by unanimous consent.

Mr. FASCELL. Mr. Chairman, reserving the right to object, I would like to hear from the gentleman from California [Mr. ROHRABACHER].

Mr. COX of California. Mr. Chairman, with due regard for our parliamentary procedures, I will yield to the gentleman from California [Mr. ROHRABACHER], and ask unanimous consent that he withdraw that portion of his amendment.

The CHAIRMAN pro tempore. The Chair would request that the gentleman from California [Mr. ROHRABACHER] make that request.

Mr. ROHRABACHER. Mr. Chairman, I make that motion.

The CHAIRMAN pro tempore. Without objection, so ordered.

Mr. FASCELL. Mr. Chairman, I still have a reservation of objection here. I want to be sure what we are talking about. As I understand it, there are three separate amendments that were being considered en bloc. I understand the request of the gentleman from California [Mr. COX] to be asking unanimous consent to withdraw the third of those amendments that was offered en bloc. That is what I understand so far.

Mr. Chairman, I want to be sure we are still playing off the same sheet of music. I would like for us, for the RECORD, simply to identify in some way that particular amendment, because the numbers here are confusing, particularly if you turn them around.

Mr. ROHRABACHER. Mr. Chairman, we are talking about an identification No. ICA91A097. It is at page 575, and talking about, "After line 9, insert the following."

Mr. FASCELL. Mr. Chairman, under my reservation of objection, let me ask the gentleman from Indiana [Mr. HAMILTON] if he now has the right amendment?

Mr. HAMILTON. If the gentleman will yield, I have the amendment, ICA91A097, June 7, 1991, page 29.

Mr. COX of California. Mr. Chairman, if the gentleman will yield, I think I can add clarification. We are removing that part of the original Rohrabacher amendment that amended the SEED Act. It is exactly nine lines in length. It begins with subparagraph (b), and the caption "East European Countries." That paragraph in its entirety would be stricken from the Rohrabacher amendment.

The CHAIRMAN pro tempore. It might be useful if Members were to meet in the center aisle and exchange copies.

Mr. HAMILTON. Mr. Chairman, it would be helpful to me if I could see now the language of the two amendments that the gentleman has.

The CHAIRMAN pro tempore. The Chair would state that at this point the gentleman from Florida [Mr. FASCELL] is reserving the right to object.

Mr. FASCELL. Mr. Chairman, I appreciate the Chair stating that. I am still reserving the right to object, so that when I get through, I will not be as confused as I am right now about what we are talking about over here.

If we could get back to the basic Rohrabacher amendment, which was in three parts or three amendments put together, and could see the first two parts of that amendment, then I think the gentleman from Indiana [Mr. HAMILTON] would be in a better position to know what it is he is agreeing to. Right now I am not really anxious to have him agree to anything, until I understand what it is he is agreeing to.

□ 1740

Hopefully with a little patience, Mr. Chairman, we will have that attended to. We have so many Rohrabacher amendments over here now we cannot even count them, much less know which one is which.

The CHAIRMAN pro tempore. (Mr. MCDERMOTT). The gentleman from Florida [Mr. FASCELL] continues to reserve the right to object.

Mr. FASCELL. I would rather take this dull thud in the proceedings, Mr. Chairman, than to be forever anxious about what it is we did.

Mrs. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman from Florida, the distinguished chairman, for yielding.

Mr. Chairman, as I read even these two, as they are constituted, part of the republics in Yugoslavia could still be singled out and no aid sent to them. That is the way I read it. As these are here, there is so much paper flying around, nobody knows what is going on.

Mr. ROHRABACHER. Mr. Chairman, if the gentleman will yield further, as a point of clarification that has been taken care of.

Mr. COX of California. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. Mr. Chairman, continuing my reservation of objection, I yield to the gentleman from California.

Mr. COX of California. The committee chairman and I have been able to engage in a private colloquy, which I will share with my colleagues. We have come to an understanding that my amendment to the Rohrabacher amendment now compromises exactly two paragraphs and a third paragraph of that that dealt with the SEED Act has been dropped by unanimous consent at the request of Mr. ROHRABACHER.

As a consequence, the net effect is that we are looking at the Rohrabacher amendment.

The CHAIRMAN pro tempore. The Chair wants to clarify, there has been nothing by unanimous consent so far. Nothing has been withdrawn.

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

Mr. FASCELL. I am happy to yield to the gentleman from Indiana.

Mr. HAMILTON. I think we all understand the intent of the gentleman in the well. That is, to remove Yugoslavia from the Rohrabacher language. That is acceptable to us.

The question in our mind is whether or not the language actually achieves that, and I am sure we can have a lot of debate about it. But it is going to be a useless debate. What I would suggest is that we simply accept the gentleman's two amendments that he has now offered, take him at his word that what he is trying to do there is to exclude Yugoslavia. Then we would not be committed to the specific language of the gentleman's amendment in the conference, but we would work with the gentleman to exclude Yugoslavia from the Rohrabacher amendment.

Mr. FASCELL. And not expand the SEED Program.

Mr. HAMILTON. And not expand the SEED Program to the Soviet Union.

Mr. COX of California. Mr. Chairman, if the gentleman will yield further, I think in particular our understanding that we will not expand the SEED Program is a useful one. I think that has been a very solid product of this debate. Given the extraordinary patience of all the Members throughout this proceeding, I think it is a valuable compromise to address this in specific in the conference and to vote upon this language for the time being.

Mr. FASCELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The third part of the amendment is now withdrawn.

Mrs. BENTLEY. Mr. Chairman, I move to strike the requisite number of words.

In view of what Chairman HAMILTON said to the gentleman from California [Mr. COX] that in the conference they would see to it that Yugoslavia would not be covered or included in any way, I would like to particularly request that it would also not single out any Republics of Yugoslavia. And with that understanding, then I will withdraw any objection that I might have placed.

Mr. HAMILTON. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, I will give the gentlewoman my assurance on that point.

Mr. KLECZKA. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from Wisconsin.

Mr. KLECZKA. Mr. Chairman, I also fully support the chairman on the agreement reached with the gentleman from California [Mr. COX], but know full well that in amendment No. 1 what is left in this amendment is assistance to any republic within any country and the added provision would be and also to the central government in Yugoslavia. So with the understanding that that is an error that will be corrected, I have no objection. But the amendment as drafted by the gentleman from California would provide aid to any republic in Yugoslavia and also to the central government, which is current law.

Mrs. BENTLEY. With that understanding, I yield back the balance of my time.

MODIFICATION TO THE AMENDMENTS OFFERED BY MR. COX OF CALIFORNIA TO THE AMENDMENTS OFFERED BY MR. ROHRABACHER

Mr. COX of California. Mr. Chairman, I ask unanimous consent that the amendment submitted to the desk be amended as the desk now possesses it.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Cox amendment No. 1; modification offered by Mr. COX of California to the Cox amendment No. 1: On line 6, after "to" delete everything up to and including the end of line 9.

The CHAIRMAN pro tempore. Is there objection to the modification of the Cox No. 1 amendment?

There was no objection.

Mr. HAMILTON. Mr. Chairman, would the Clerk repeat that language, please?

The Clerk read as follows:

Modification offered by Mr. COX of California to part 1 of the Cox amendment as offered: On line 6, delete after the word "to" everything up to and including the end of line 9.

The CHAIRMAN pro tempore. Is there objection to the modification?

There was no objection.

The text of the Cox amendment No. 1, as modified, is as follows:

Page 29, after line 2, insert the following:

"(D) With regard to economic assistance under this Act or the Support for East European Democracy (SEED) Act of 1989 for countries that are in transition from communism to democracy, it shall be the policy of the United States, to the extent feasible, to provide assistance directly to democractically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States; provided, that economic assistance to Yugoslavia otherwise authorized by law shall not be prohibited as a consequence of this provision. As used in this subparagraph, the term 'democratically elected' means elected through open, free, and fair elections.

The CHAIRMAN pro tempore. The question is on the amendments, as modified, offered by the gentleman from California [Mr. COX] to the amendments offered by the gentleman from California [Mr. ROHRABACHER], as amended.

The amendments, as modified, to the amendments, as amended, were agreed to.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from California [Mr. ROHRABACHER], as amended.

The amendments, as amended, were agreed to.

The CHAIRMAN pro tempore. Are there other amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—MILITARY ASSISTANCE, RELATED ASSISTANCE, AND MILITARY SALES PROGRAMS

CHAPTER 1—CONSOLIDATION AND REVISION OF ASSISTANCE AUTHORITIES

SEC. 201. REVISION OF ASSISTANCE PROGRAMS.

The Foreign Assistance Act of 1961 is amended by striking out part II and inserting in lieu thereof the following:

"TITLE II—MILITARY ASSISTANCE AND RELATED PROGRAMS

"CHAPTER 1—POLICIES REGARDING MILITARY ASSISTANCE

"SEC. 2101. FINDINGS AND STATEMENTS OF POLICIES REGARDING MILITARY ASSISTANCE.

"(a) FINDINGS.—The Congress finds that—

"(1) to advance our principal foreign policy objectives—the promotion of democratic values, the promotion of peace, the fostering of economic progress through the encouragement of market forces, and international cooperation in countering transnational dangers such as terrorism and narcotics trafficking—the United States must foster a climate in which all nations can live in security and stability;

"(2) where threats to such a climate arise, through the persistence of regional conflicts, the threat of aggression fostered by military imbalances among neighboring nations, the proliferation of weapons of mass destruction, the continued proliferation of conventional weapons of increasing capability, or the persistent attempts by armed groups violently to overthrow democratically elected governments, it is in the interest of the United States to address those threats;

"(3) so long as foreign countries lack the resources to meet their security needs without external assistance, military assistance provided by the United States will remain one of the principal instruments available to us to advance our principal foreign policy goals;

"(4) together with other assistance provided under this Act, military assistance can contribute to the development of economic and social improvements that enhance the development and maintenance of democratic political systems;

"(5) military assistance facilitates—

"(A) the development of comprehensive political relationships with the leadership of friendly foreign countries, and

"(B) the development of cooperation, through such means as treaty alliances and other security arrangements, in meeting threats to international security; and

"(6) assistance under this title can also support multilateral efforts through the United Nations and other international organizations to promote peaceful settlements of disputes.

"(b) MORE EQUITABLE DISTRIBUTION OF COLLECTIVE DEFENSE RESPONSIBILITIES.—The Congress recognizes that the scope of threats facing friendly foreign countries is such that military assistance from the United States will not be sufficient to meet collective defense and security requirements. The Congress, in authorizing military assistance under this title, expects that the President will exert maximum effort in seeking the support of the member countries of the North Atlantic Treaty Organization and other allies in providing enhanced military assistance, in coordination with the United States, to friendly foreign countries so as to bring about a more equitable distribution of the responsibilities of collective defense, particularly with respect to assistance associated with the maintenance of military bases.

"(c) SELF-SUFFICIENCY.—Military assistance provided under this title to friendly foreign countries should serve as a necessary transition to effective self-help measures that will make such assistance unnecessary in the future.

"(d) MULTILATERAL CONTROLS ON TRANSFERS OF DEFENSE ARTICLES AND DEFENSE SERVICES.—The President should continue to seek, through negotiations with the Soviet Union and other countries that supply or receive defense articles and defense services, the establishment of effective multilateral controls on the transfer of defense articles and defense services, including controls on the furnishing of assistance for the procurement of such articles and services.

"SEC. 2102. OBJECTIVES OF MILITARY ASSISTANCE.

"The authorities to furnish military assistance that are provided in chapters 2, 3, 5, and 6 of this title shall be exercised (subject to the supervision and direction of the Secretary of State pursuant to section 2921) to achieve the following objectives:

"(1) Promoting self-defense and defense cooperation by financing the acquisition by friendly countries of United States major defense equipment and other defense articles and defense services, including acquisition through licensed production and coproduction.

"(2) Promoting the effectiveness of military forces of friendly countries with respect to command, control, communications, intelligence, mobility, training, and logistical support.

"(3) Promoting rationalization, standardization, and interoperability of the military forces of friendly countries with the Armed Forces of the United States.

"(4) Supporting peacekeeping operations and activities and related programs, in particular those sponsored by the United Nations or other international organizations.

"(5) Increasing the awareness of nationals of friendly countries of basic issues involving democratic values and institutions, especially respect for internationally recognized human rights.

"(6) Supporting the establishment in friendly countries of a relationship between civilian and military sectors appropriate to a democratic system of government.

"(7) Improving the capability of the armed forces of friendly countries to carry out, at the direction of the civilian government, activities which are complementary to economic development projects that benefit the civilian population.

"(8) Enhancing the military capability of friendly countries to meet their security needs.

"(9) Providing support for friendly countries to combat the illicit flow of narcotic and psychotropic drugs and other controlled substances and to combat international terrorism.

"CHAPTER 2—FOREIGN MILITARY FINANCING PROGRAM

"SEC. 2201. AUTHORITY TO FURNISH ASSISTANCE.

"(a) GENERAL AUTHORITY.—The President is authorized to furnish military assistance to any friendly country or international organization by—

"(1) acquiring from any source and providing (by grant and loan) any defense article or defense service;

"(2) financing the sale of defense articles or defense services; or

"(3) providing financing under subsection (b).

"(b) FINANCING PROCUREMENT BY COMMERCIAL LEASING.—

"(1) ELIGIBLE COUNTRIES; DETERMINATIONS.—Financing may be provided under this section to any country that is a member of the North Atlantic Treaty Organization or is a major non-NATO ally for the procurement of defense articles by leasing (including leasing with an option to purchase) from United States commercial suppliers if the President determines that there are foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under the Defense Trade and Export Control Act.

"(2) NOTIFICATION TO CONGRESS.—Any exercise of the authority of this subsection shall be subject to the regular notification requirements of the appropriate congressional committees under section 6304.

"(c) OBLIGATION OF FUNDS.—

"(1) OBLIGATION OF GRANT FUNDS.—

"(A) OBLIGATION UPON APPORTIONMENT.—Funds appropriated to carry out this chapter on a grant basis may be obligated for a particular country or international organization upon apportionment in accordance with paragraph (5)(C) of section 1501(a) of title 31, United States Code.

"(B) LIMITATION.—Funds appropriated to carry out this chapter on a grant basis shall be available to finance the procurement of defense articles and defense services that are not sold by the United States Government only if the country or international organization proposing to make such procurement has first signed a grant agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds.

"(2) DEOBLIGATION OF FUNDS AFTER 3 YEARS.—Any agreement to provide assistance under this section shall include a provision expressly granting the United States Government the right to deobligate any funds furnished under the agreement that have not been committed for an approved use by the end of the 3-year period beginning on the date on which that agreement is entered into.

"(d) LOANS OF DEFENSE ARTICLES.—

"(1) LIMITATIONS.—Defense articles may be loaned under subsection (a)(1) only if—

"(A) there is a bona fide reason, other than a shortage of funds, for providing such articles on a loan basis rather than a grant basis;

"(B) there is a reasonable expectation that such articles will be returned to the agency making the loan at the end of the loan period unless the loan is then renewed;

"(C) the loan period is of fixed duration not exceeding five years, during which period such article may be recalled for any reason by the United States;

"(D) the agency making the loan is reimbursed for the loan based on any amount that is charged in accordance with paragraph (2) to the appropriation to carry out this chapter; and

"(E) the loan agreement provides that—

"(i) if the defense article is damaged while on loan, the country or international organization to which it was loaned will reimburse the United States for the cost of restoring or replacing the defense article, and

"(ii) if the defense article is lost or destroyed while on loan, the country or international organization to which it was loaned will pay to the United States an amount equal to the replacement cost (less any depreciation in the value) of the defense article.

"(2) CHARGE TO APPROPRIATION ACCOUNT.—(A) In the case of any loan of a defense article under this chapter, there shall be a charge to the appropriation to carry out this chapter while the defense article is on loan, except as provided in subparagraph (B). Such charge shall be in an amount based on—

"(i) the out-of-pocket expenses authorized to be incurred in connection with such loan; and

"(ii) the depreciation that occurs while such article is on loan.

"(B) Subparagraph (A) does not apply to any defense article (or portion thereof) that is acquired with funds available to carry out this chapter or that is made available under the special drawdown authority of section 2901. In the case of defense articles made available under section 2901 that are loaned under this subsection, the value of the defense articles (in terms of their replacement cost less any depreciation in their value) shall be counted against the limitation in subsection (c)(1) of that section.

"(e) EXCLUSION OF CERTAIN COSTS FROM CERTAIN SALES.—Sales under the Defense Trade and Export Control Act which are wholly paid from funds—

"(1) which are made available on a grant basis under this chapter, or

"(2) which, prior to the effective date specified in section 1101 of the International Cooperation Act of 1991, were transferred under the former authority of section 503(a)(3) of this Act or were made available on a nonrepayable basis under the former authority of section 23 of the Arms Export Control Act,

shall be priced to exclude the costs of salaries of members of the Armed Forces of the United States (other than the Coast Guard) and the unfunded estimated costs of civilian retirement and other benefits.

"(f) FINANCING FOR COPRODUCTION OR LICENSED PRODUCTION.—Assistance may not be furnished under this chapter in any case involving coproduction or licensed production outside the United States of any defense article of United States origin unless the President furnishes full information regarding the proposed transaction to the appropriate congressional committees. Such information shall be furnished before the coproduction or licensed production arrangement is approved by the United States Government or, if the decision to provide assistance is made after the arrangement is approved, before the assistance is furnished. Such information shall include—

"(1) a description of the defense article that would be coproduced or produced under license outside the United States;

"(2) the estimated value of such coproduction or licensed production; and

"(3) an analysis of the economic impact on the United States of furnishing or not furnishing the proposed assistance.

"(g) PROCUREMENT INVOLVING CERTAIN VESSELS OF WAR.—

"(1) PROHIBITION.—Except as provided in paragraph (2), if the President so determines, assistance described in paragraph (3) may not be used for the procurement of—

"(A) any vessel of war built pursuant to a prime contract awarded to a foreign shipyard; or

"(B) any weapons system or other major system or subsystem for any vessel of war built pursuant to a prime contract awarded to foreign shipyard rather than a United States shipyard because of unfair foreign competition (such as subsidization or the provision of financial or material incentives to the foreign country for which the vessel is built).

"(2) EXCEPTIONS.—Paragraph (1) does not apply with respect to a vessel of war that—

"(A) is built in the foreign country that is the recipient of the assistance; or

"(B) is built pursuant to a prime contract signed before the effective date of this subsection.

"(3) ASSISTANCE SUBJECT TO PROHIBITION.—The prohibition in paragraph (1) applies with respect to any obligation of assistance under this section, and any expenditure of MAP or FMS assistance, totaling more than $1,000,000.

"(4) DEFINITIONS.—For the purposes of this subsection—

"(A) the term 'MAP or FMS assistance' means any assistance under the former authorities of chapter 2 of part II of this Act or section 23 of the Arms Export Control Act; and

"(B) the term 'vessel of war' means any vessel of war in Category VI of the United States Munitions List, without regard to whether the vessel is imported into or exported from the United States.

"(h) CIVIC ACTION IN AFRICA.—Funds appropriated to carry out this chapter may be used for civic action in Africa notwithstanding section 6204 of this Act and any similar provision of law that prohibits assistance to countries in default on obligations owed to the United States.

"SEC. 2202. TERMS OF FINANCING ASSISTANCE.

"(a) IN GENERAL.—Financing may be provided under this chapter on a grant basis, on a credit basis, or as guaranties, subject to the requirements of the Federal Credit Reform Act of 1990.

"(b) CRITERIA FOR DETERMINING TERMS OF FINANCING.—In determining whether financing under this chapter will be provided to a foreign country on a grant, credit, or guaranty basis, the President shall take into account the following:

"(1) The national security and foreign policy interests of the United States in furnishing such assistance to that country.

"(2) The legitimate national security and self-defense needs of that country, taking into account regional and other threats to its security.

"(3) The economic conditions and circumstances of that country, including its per capita gross national product, debt service ratio, and external debt and rescheduled external debt, and whether the country has been designated as a middle income country by the International Bank for Reconstruction and Development.

"(c) TERMS OF CREDITS.—

"(1) REPAYMENT PERIOD.—In the case of credits provided under this chapter, the President shall require repayment in United States dollars within a period not to exceed 12 years after the loan agreement with the country or international organization is signed on behalf of the United States Government, unless a longer period is specifically authorized by law for that country or international organization.

"(2) INTEREST RATE.—The President shall charge interest on credits provided under this chapter at such rate as the President considers appropriate, except that such rate may not be less than 5 percent per year.

"(d) FINANCING ASSISTANCE.—Funds used to finance the procurement of defense articles and defense services under section 2201(a) (2) or (3) shall be disbursed—

"(1) to suppliers (including the United States military departments) on behalf of the recipient country or organization; or

"(2) to the recipient country or organization as reimbursement upon submission of satisfactory proof of payments to suppliers.

"(e) GUARANTIES.—Any guaranties issued under this chapter shall be backed by the full faith and credit of the United States.

"(f) USE OF ASSISTANCE FOR DEBT REPAYMENT.—

"(1) AUTHORITY.—Funds appropriated to carry out this chapter may be made available to a foreign country to make payments of principal and interest that it owes to the United States in connection with sales of defense articles or defense services on account of credits previously extended to it, or loans previously guaranteed, under this chapter (or under the former authorities of the Arms Export Control Act or any other predecessor military sales or military assistance legislation), subject to paragraph (2).

"(2) PROHIBITION ON PREPAYMENT.—Funds made available to carry out this chapter may not be used for prepayment of principal or interest pursuant to the authority of paragraph (1).

"(g) CONGRESSIONAL NOTIFICATION OF CHANGES IN CREDIT OR GUARANTY ASSISTANCE.—At least 15 days before obligating funds for credits or guaranties under this chapter—

"(1) for any country for which credits or guaranties (as the case may be) were not justified for that fiscal year, or

"(2) for any country in an amount greater than the amount of credits or guaranties (as the case may be) justified for that country for that fiscal year,

the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"SEC. 2203. ELIGIBILITY.

"(a) CONDITIONS.—Financing may not be furnished under this chapter for the procurement of defense articles or defense services by a foreign country, and defense articles or defense services may not otherwise be furnished under this chapter or chapter 3 to a foreign country, unless that country has agreed to the following (in addition to such other provisions as the President may require):

"(1) The country will not, without the consent of the President—

"(A) transfer title to, or possession of, such articles or services to anyone who is not an officer, employee, or agent of that country; or

"(B) use or permit the use of such articles or services for purposes other than those for which furnished.

"(2) The country will maintain the security of such articles or services, and will provide substantially the same degree of security protection afforded to such articles or services by the United States Government.

"(b) INELIGIBILITY.—

"(1) TERMINATION OF ASSISTANCE FOR SUBSTANTIAL VIOLATIONS.—Assistance and deliveries of assistance under section 2201(a)(1) to any country shall be terminated, and new commitments to provide financing under section 2201(a) (2) or (3) to that country shall not be made, as hereinafter provided if such country uses defense articles or defense services described in paragraph (2) in substantial violation (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved) of any agreement pursuant to which those defense articles or defense services were furnished—

"(A) by using (without the consent of the President) such articles or services for a purpose not specified in paragraph (3) or, if such agreement provides that such articles or services may only be used for purposes more limited than those specified, for a purpose not authorized under such agreement;

"(B) by transferring (without the consent of the President) such articles or services to anyone not an officer, employee, or agent of the recipient country; or

"(C) by failing to maintain the security of such articles or services.

"(2) DEFENSE ARTICLES AND DEFENSE SERVICES SUBJECT TO REQUIREMENTS.—Paragraph (1) applies with respect to any defense articles or defense services furnished (through financing or otherwise) under this Act, sold or leased under the Defense Trade and Export Control Act, or furnished under any predecessor foreign assistance or military sales legislation.

"(3) USES PERMITTED.—The purposes referred to in paragraph (1) are the following:

"(A) Legitimate self-defense.

"(B) Participation in regional or collective arrangements or measures consistent with the Charter of the United Nations, or participation in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security.

"(C) Internal security.

"(D) Construction of public works or other activities which contribute to the economic and social development of the recipient country.

"(E) Such other purposes as may be provided for in particular provisions of law.

"(4) ACTIONS REQUIRED FOR TERMINATION.—Assistance and deliveries of assistance shall be terminated, and new commitments to provide assistance shall not be made, pursuant to paragraph (1) if—

"(A) the President so determines and states in writing to the Congress, or

"(B) the Congress so determines by joint resolution.

"(5) REPORTS TO CONGRESS.—The President shall report to the Congress promptly upon the receipt of information that a violation described in paragraph (1) may have occurred.

"(6) PERIOD OF TERMINATION.—Assistance to a country shall remain terminated in accordance with paragraph (1) until such time as—

"(A) the President determines that the violation has ceased; and

"(B) the country concerned has given assurances satisfactory to the President that such violation will not recur.

"SEC. 2204. APPROVAL OF THIRD COUNTRY TRANSFERS.

"(a) IN GENERAL.—In considering a request under section 2203(a)(1) for approval of any transfer to a third country of any defense article on the United States Munitions List (other than any such defense article the useful life of which has expired) or any defense service, the President shall not give his consent to the transfer unless the United States itself would transfer the defense article or defense service under consideration to that country.

"(b) SIGNIFICANT MILITARY EQUIPMENT.—In addition, the President shall not give his consent under section 2203(a)(1) to the transfer of any significant military equipment on the United States Munitions List unless the foreign country requesting consent to transfer agrees to demilitarize such equipment prior to transfer, or the proposed recipient provides a commitment in writing to the United States Government that it will not transfer such equipment if not demilitarized, to any other foreign country or person without first obtaining the consent of the President.

"SEC. 2205. IMPROVED ACCOUNTABILITY WITH RESPECT TO FINANCED COMMERCIAL ARMS SALES.

"(a) FINDINGS.—The Congress finds that—

"(1) government-to-government sales of defense articles and defense services that are financed under this chapter are subject to various accountability requirements pursuant to the Federal Acquisition Regulation; but

"(2) comparable accountability requirements have not been applied to commercial sales of defense articles and defense services that are financed by the United States Government; and

"(3) more stringent eligibility standards and fiscal and accounting controls (including improved access to records) need to be established with respect to financed commercial arms sales.

"(b) MONITORING AND AUDITING REQUIREMENTS.—In order to carry out subsection (a)(3), the President shall establish controls providing that financed commercial arms sales shall be subject to monitoring and auditing requirements no less stringent in terms of accountability than those requirements of the Federal Acquisition Regulation that are applicable to sales under the Defense Trade and Export Control Act and that relate to improper business practices and personal conflict of interest.

"(c) DEFINITIONS.—As used in this section—

"(1) the term 'Federal Acquisition Regulation' means the single system of Government-wide procurement regulation referred to in section 6(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(a)); and

"(2) the term 'financed commercial arms sales' means any procurement of defense articles or defense services (other than by sale or lease under the Defense Trade and Export Control Act)—

"(A) which is financed in whole or in part with assistance under this chapter, and

"(B) with respect to which an export license is required under section 38 of Defense Trade and Export Control Act.

"(d) EFFECTIVE DATE.—The controls established pursuant this section shall be established not later than one year after the date of enactment of this section.

"SEC. 2206. CONSIDERATIONS IN FURNISHING ASSISTANCE.

"Decisions to furnish assistance under this chapter shall be made in coordination with the United States Arms Control and Disarmament Agency and shall take into account the Agency's opinion as to whether such assistance will—

"(1) contribute to an arms race;

"(2) increase the possibility of outbreak or escalation of conflict; or

"(3) prejudice the development of bilateral or multilateral arms control arrangements.

"SEC. 2207. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) FISCAL YEARS 1992 AND 1993.—There are authorized to be appropriated to the President to carry out this chapter $4,411,444,000 for fiscal year 1992 and $4,840,000,000 for fiscal year 1993.

"(b) RESERVE FUND FOR CERTAIN COUNTRIES.—

"(1) FUNDS SET ASIDE FOR CERTAIN COUNTRIES.—Two percent of the aggregate amount of financing provided on a grant or credit basis under this chapter for each of the fiscal years 1992 and 1993 shall be available only for assistance for otherwise eligible countries for which the Congress has not by law specified a minimum or a maximum amount of assistance to be provided under

this chapter for that fiscal year. To the extent necessary to carry out this paragraph, funds may be made available for use under this paragraph notwithstanding any provision specifying such a minimum (other than a provision specifying a minimum for Israel or Egypt).

"(2) NOTICE TO CONGRESS.—At least 15 days before obligating funds for a country under this subsection, the President shall notify the appropriate congressional committees.

"(c) CERTAIN GENERIC AUTHORIZATIONS SUPERSEDED.—The authorizations of appropriations provided in section 505(a) of the Federal Credit Reform Act of 1990 for the costs associated with any loan and loan guaranty programs do not apply with respect to credits and guaranties under this chapter.

"CHAPTER 3—TRANSFERS OF EXCESS DEFENSE ARTICLES

"SEC. 2301. MODERNIZATION OF DEFENSE CAPABILITIES OF MILITARY ASSISTANCE RECIPIENTS.

"(a) AUTHORITY.—Notwithstanding any other provision of law, the President may transfer to any eligible country such excess defense articles as may be necessary to help modernize the defense capabilities of that country.

"(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) they are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

"(3) the transfer will not have an adverse impact on the military readiness of the United States;

"(4) transferring the excess defense articles under the authority of this section is preferable to selling them, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of either a transfer or sale; and

"(5) the transfer is not prohibited by section 6202 (relating to assistance for law enforcement forces).

"(c) TERMS OF TRANSFERS.—Excess defense articles may be transferred under this section without cost to the recipient country.

"(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DEPARTMENT OF DEFENSE EXPENSES.—Section 7201(d) does not apply with respect to transfers of excess defense articles under this section.

"(e) TRANSPORTATION AND RELATED COSTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), funds available to the Department of Defense shall not be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of this section.

"(2) EXCEPTION.—Notwithstanding section 7201(d) or any other provision of law, the President may direct the crating, packing, handling, and transport of excess defense articles without charge to a country if—

"(A) that country has an agreement providing the United States with base rights in that country;

"(B) that country is eligible for assistance from the International Development Association; and

"(C) the excess defense articles are being provided to that country under the authority of this section.

"(f) NOTIFICATIONS TO CONGRESS.—

"(1) DESIGNATION OF ADDITIONAL ELIGIBLE COUNTRIES.—The President shall notify the relevant congressional committees at least 15 days before designating a country as an eligible country pursuant to subsection (h)(1)(A)(iii)(II).

"(2) PROPOSED TRANSFERS.—The President may not transfer excess defense articles under this section until 15 days after the President has provided notice of the proposed transfer to the relevant congressional committees. This notification shall include—

"(A) a discussion of the need for the transfer;

"(B) an assessment of the impact of the transfer on the military readiness of the United States; and

"(C) a statement of the value of the excess defense articles to be transferred.

"(3) PROCEDURES APPLICABLE TO NOTIFICATIONS.—Notifications pursuant to this subsection shall be considered in accordance with the procedures applicable to reprogramming notifications submitted to the relevant congressional committees.

"(g) MAINTENANCE OF MILITARY BALANCE IN EASTERN MEDITERRANEAN.—

"(1) UNITED STATES POLICY.—Excess defense articles shall be made available under this section consistent with the United States policy, established by section 5501 of this Act, of maintaining the military balance in the Eastern Mediterranean.

"(2) MAINTENANCE OF BALANCE.—Accordingly, the President shall ensure that, over the 3-year period beginning on October 1, 1991, the ratio of—

"(A) the value of excess defense articles made available for Turkey under this section, to

"(B) the value of excess defense articles made available for Greece under this section,

closely approximates the ratio of—

"(i) the amount of foreign military financing assistance provided for Turkey, to

"(ii) the amount of foreign military financing assistance provided for Greece.

"(3) EXCEPTION TO REQUIREMENT.—This subsection shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles under this section.

"(h) DEFINITIONS.—

"(1) ELIGIBLE COUNTRIES.—(A) For purposes of this section, the term 'eligible country' means a country—

"(i) for which foreign military financing assistance was justified for the fiscal year in which the transfer of excess defense articles under this section is authorized;

"(ii) that is eligible to receive foreign military financing assistance at the time of the transfer; and

"(iii) that either—

"(I) is a grandfathered country, or

"(II) has been designated by the President as an eligible country for purposes of this section.

"(B) As used in subparagraph (A)(iii)(I), the term 'grandfathered country' means a country—

"(i) that is a member of the North Atlantic Treaty Organization, a major non-NATO ally, or a country in North Africa, and

"(ii) that was eligible to receive excess defense articles under the former authority of section 516 of this Act (as in effect immediately prior to the effective date specified in section 1101 of the International Cooperation Act of 1991).

"(2) EXCESS COAST GUARD PROPERTY.—For purposes of this section and sections 2304 and 2305, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard. For purposes of this section, the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.

"(3) MADE AVAILABLE.—For purposes of subsection (g), the term 'made available' means a good faith offer is made by the United States to furnish the excess defense articles to a country.

"(4) RELEVANT CONGRESSIONAL COMMITTEES.—For purposes of this section, the term 'relevant congressional committees' means the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

"SEC. 2302. MODERNIZATION OF COUNTERNARCOTICS CAPABILITIES OF MAJOR ILLICIT DRUG PRODUCING OR DRUG-TRANSIT COUNTRIES.

"(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—The President may transfer to an eligible drug producing or transit country such excess defense articles as may be necessary to carry out subsection (b).

"(b) PURPOSE OF TRANSFERS.—Excess defense articles may be transferred to an eligible drug producing or transit country under subsection (a) only for the purpose of encouraging military forces and law enforcement agencies of that country to participate cooperatively in a comprehensive national counternarcotics program, conceived and developed by the government of that country, by conducting activities within that country and on the high seas to prevent the production, processing, trafficking, transportation, and consumption of narcotic or psychotropic drugs or other controlled substances.

"(c) USES OF EXCESS DEFENSE ARTICLES.—Excess defense articles may be transferred under subsection (a) to an eligible drug producing or transit country only if that country ensures that those excess defense articles will be used primarily in support of counternarcotics activities.

"(d) ROLE OF THE SECRETARY OF STATE.—The Secretary of State shall determine the eligibility of countries to receive excess defense articles under subsection (a). In accordance with section 4102 of this Act, the Secretary shall ensure that the transfer of excess defense articles under subsection (a) is coordinated with other counternarcotics enforcement programs assisted by the United States Government.

"(e) DOLLAR LIMITATION ON TRANSFERS TO EACH COUNTRY.—The value of excess defense articles transferred under subsection (a) to an eligible drug producing or transit country in a fiscal year may not exceed $10,000,000.

"(f) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) they are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

"(3) the transfer will not have an adverse impact on the military readiness of the United States; and

"(4) transferring the excess defense articles under the authority of this section is preferable to selling them, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of either a transfer or sale.

"(g) TERMS OF TRANSFERS.—Excess defense articles may be transferred under this section without cost to the recipient country.

"(h) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) does not apply with respect to transfers of excess defense articles under this section.

"(i) TRANSPORTATION AND RELATED COSTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), funds available to the Department of Defense shall not be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of this section.

"(2) EXCEPTION.—Notwithstanding section 7201(d) or any other provision of law, the President may direct the crating, packing, handling, and transport of excess defense articles without charge to a country if—

"(A) that country has an agreement providing the United States with base rights in that country;

"(B) that country is eligible for assistance from the International Development Association; and

"(C) the excess defense articles are being provided to that country under the authority of this section.

"(j) NOTIFICATIONS TO CONGRESS.—

"(1) PROPOSED TRANSFERS.—The President may not transfer excess defense articles under this section until 15 days after the President has provided notice of the proposed transfer to the relevant congressional committees. This notification shall include—

"(A) a discussion of the need for the transfer;

"(B) an assessment of the impact of the transfer on the military readiness of the United States; and

"(C) a statement of the value of the excess defense articles to be transferred.

"(2) PROCEDURES APPLICABLE TO NOTIFICATIONS.—Notifications pursuant to this subsection shall be considered in accordance with the procedures applicable to reprogramming notifications submitted to the relevant congressional committees.

"(k) DEFINITIONS.—

"(1) ELIGIBLE DRUG PRODUCING OR TRANSIT COUNTRY.—For purposes of this section, the term 'eligible drug producing or transit country' means a country—

"(A) that is a major illicit drug producing country or a major drug-transit country;

"(B) that has a democratic government; and

"(C) whose security forces do not engage in a consistent pattern of gross violations of internationally recognized human rights; and

"(D) that is eligible to receive foreign military financing assistance at the time the excess defense articles are transferred.

"(2) EXCESS COAST GUARD PROPERTY.—For purposes of this section and sections 2304 and 2305, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard. For purposes of this section, the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.

"(3) RELEVANT CONGRESSIONAL COMMITTEES.—For purposes of this section, the term 'relevant congressional committees' means the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

"SEC. 2303. NATURAL RESOURCES AND WILDLIFE MANAGEMENT.

"(a) AUTHORITY TO TRANSFER NONLETHAL EXCESS DEFENSE ARTICLES AND SMALL ARMS.—The President may transfer eligible articles to an eligible country, an international organization, or a private voluntary organization for the purpose of protecting and maintaining wildlife habitats and developing sound wildlife management and plant conservation programs.

"(b) LIMITATIONS ON TRANSFERS.—The President may transfer eligible articles under this section only if—

"(1) they are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

"(3) the President determines that the transfer will not have an adverse impact on the military readiness of the United States; and

"(4) transferring the eligible articles under the authority of this section is preferable to selling them, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of either a transfer or sale.

"(c) TERMS OF TRANSFERS.—Eligible articles may be transferred under this section without cost to the recipient country or organization.

"(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) does not apply with respect to transfers of eligible articles under this section.

"(e) TRANSPORTATION.—The President is authorized to transport eligible articles made available under this section without charge on a space available basis.

"(f) NOTIFICATIONS TO CONGRESS.—

"(1) DESIGNATION OF ADDITIONAL ELIGIBLE COUNTRIES.—The President shall notify the relevant congressional committees at least 15 days before designating a country as an eligible country pursuant to subsection (g)(2)(A)(iii)(II).

"(2) PROPOSED TRANSFERS.—The President may not transfer eligible articles under this section until 15 days after the President has provided notice of the proposed transfer to the relevant congressional committees. This notification shall include—

"(A) a discussion of the need for the transfer;

"(B) an assessment of the impact of the transfer on the military readiness of the United States; and

"(C) a statement of the value of the eligible articles to be transferred.

"(3) PROCEDURES APPLICABLE TO NOTIFICATIONS.—Notifications pursuant to this subsection shall be considered in accordance with the procedures applicable to reprogramming notifications submitted to the relevant congressional committees.

"(g) DEFINITIONS.—

"(1) DEPARTMENT OF DEFENSE.—For purposes of this section, the term 'Department of Defense' shall be deemed, with respect to excess property of the Coast Guard, to include the Coast Guard.

"(2) ELIGIBLE COUNTRY.—(A) For purposes of this section, the term 'eligible country' means a country—

"(i) for which foreign military financing assistance was justified for the fiscal year in which the transfer of eligible articles under this section is authorized;

"(ii) that is eligible to receive foreign military financing assistance at the time of the transfer; and

"(iii) that either—

"(I) is a grandfathered country, or

"(II) has been designated by the President as an eligible country for purposes of this section.

"(B) As used in subparagraph (A)(iii)(I), the term 'grandfathered country' means Botswana, Central African Republic, Cameroon, Kenya, Malawi, Tanzania, and Zimbabwe.

"(3) ELIGIBLE ARTICLES.—For purposes of this section, the term 'eligible articles' means—

"(A) nonlethal excess defense articles,

"(B) nonlethal excess property of the Coast Guard, and

"(C) small arms.

"(4) EXCESS DEFENSE ARTICLES.—For purposes of sections 2304 and 2305, the term 'excess defense articles' shall be deemed to include eligible articles transferred under the authority of this section.

"(5) RELEVANT CONGRESSIONAL COMMITTEES.—For purposes of this section, the term 'relevant congressional committees' means the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

"SEC. 2304. ANNUAL CEILING ON TRANSFERS OF EXCESS DEFENSE ARTICLES.

"The aggregate value of excess defense articles ordered by the President in any fiscal year for delivery under the authority of this chapter or the Defense Trade and Export Control Act may not exceed $250,000,000, excluding—

"(1) excess defense articles ordered for transfer under section 2301,

"(2) defense articles with respect to which the President submits a certification under section 36(b) of the Defense Trade and Export Control Act, and

"(3) ships and their onboard stores and supplies transferred in accordance with law.

"SEC. 2305. ANNUAL REPORTS ON TRANSFERS OF EXCESS DEFENSE ARTICLES.

"The annual presentation materials for security assistance programs shall include a table listing by country the total value of all deliveries of excess defense articles during the preceding fiscal year under section 2201, under section 2301, under section 2302, under section 2303, under section 2901, or under the Defense Trade and Export Control Act (respectively), disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery.

"CHAPTER 4—OVERSEAS MANAGEMENT OF ASSISTANCE AND SALES PROGRAMS

"SEC. 2401. AUTHORIZED FUNCTIONS.

"(a) IN GENERAL.—In order to carry out responsibilities for the management of international security assistance and sales programs conducted under chapter 2, chapter 3, and chapter 5 and under the Defense Trade and Export Control Act, the President may assign members of the Armed Forces to a foreign country to perform one or more of the following functions:

"(1) Equipment and services case management.

"(2) Training management.

"(3) Program monitoring.

"(4) Evaluation and planning of the host government's military capabilities and requirements.

"(5) Administrative support.

"(6) Promoting rationalization, standardization, interoperability, and other defense cooperation measures.

"(7) Liaison functions exclusive of advisory and training assistance.

"(b) ADVISORY AND TRAINING ASSISTANCE.—Advisory and training assistance conducted by members of the Armed Forces assigned under this chapter shall be kept to an absolute minimum. Advising and training assistance in countries to which members of the Armed Forces are assigned under this chapter should be provided primarily by other personnel who are not assigned under this chapter and who are detailed for limited periods to perform specific tasks.

"(c) PROGRAM MONITORING.—At least one member of the Armed Forces assigned to each country under this chapter shall be given responsibility primarily for monitoring the international security assistance and sales program in that country.

"SEC. 2402. LIMIT ON SIZE OF GROUPS.

"The total number of members of the Armed Forces assigned under this chapter to a foreign country in a fiscal year may not exceed the number justified to the Congress for that country in the congressional presentation materials for that fiscal year, unless the appropriate congressional committees are notified 30 days in advance of the introduction of the additional military personnel.

"SEC. 2403. COSTS.

"The entire costs (excluding salaries of members of the Armed Forces, other than the Coast Guard) of overseas management of international security assistance and sales programs under this chapter shall be charged to or reimbursed from funds made available to carry out chapter 2, other than any such costs which are either—

"(1) paid directly for such defense services under section 21(a) of the Defense Trade and Export Control Act, or

"(2) reimbursed from charges for services collected from foreign governments pursuant to section 21(e) and section 43(b) of that Act.

"SEC. 2404. ROLE OF CHIEF OF MISSION.

"Members of the Armed Forces assigned to a foreign country under this chapter shall serve under the direction and supervision of the chief of the United States diplomatic mission to that country.

"CHAPTER 5—INTERNATIONAL MILITARY EDUCATION AND TRAINING

"SEC. 2501. GENERAL AUTHORITY.

"(a) GENERAL AUTHORITY.—The President is authorized to furnish military education and training to military and related civilian personnel of foreign countries. Such civilian personnel may include foreign governmental personnel of ministries other than ministries of defense, and may also include legislators, if the military education and training would—

"(1) foster greater respect for and understanding of the principle of civilian control of the military;

"(2) improve military justice systems and procedures in accordance with internationally recognized human rights;

"(3) contribute to responsible defense resource management; or

"(4) contribute to cooperation between military and law enforcement personnel with respect to counternarcotics law enforcement efforts.

"(b) FURNISHING OF ASSISTANCE.—Training and education under this chapter may be provided through—

"(1) attendance at military educational and training facilities in the United States (other than Service academies) and abroad;

"(2) attendance in special courses of instruction at schools and institutions of learning or research in the United States and abroad; and

"(3) observation and orientation visits to military facilities and related activities in the United States and abroad.

"SEC. 2502. TERMS OF ASSISTANCE.

"(a) GRANT ASSISTANCE.—Military education and training under this chapter shall be furnished on a grant basis.

"(b) ASSISTANCE ON CREDIT TERMS.—Whenever feasible military education and training shall be provided on credit terms under chapter 2.

"SEC. 2503. EXCHANGE TRAINING.

"In carrying out this chapter, the President is authorized to provide for attendance of foreign military personnel at professional military education institutions in the United States (other than Service academies) without charge, and without charge to funds available to carry out this chapter (notwithstanding section 7201(d)), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one, reciprocal basis each fiscal year between those United States professional military education institutions and comparable institutions of foreign countries and international organizations.

"SEC. 2504. TRAINING IN MARITIME SKILLS.

"The President is encouraged to allocate a portion of the funds made available each fiscal year to carry out this chapter for use in providing education and training in maritime search and rescue, operation and maintenance of aids to navigation, port security, at-sea law enforcement, international maritime law, and general maritime skills.

"SEC. 2505. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out this chapter $52,500,000 for fiscal year 1992 and $52,500,000 for fiscal year 1993.

"CHAPTER 6—PEACEKEEPING OPERATIONS

"SEC. 2601. GENERAL AUTHORITY.

"(a) IN GENERAL.—The President is authorized to furnish assistance to foreign countries and international organizations for peacekeeping operations and activities and related programs.

"(b) REIMBURSEMENT OF DOD.—Assistance under this chapter may include reimbursement to the Department of Defense for expenses incurred pursuant to section 7 of the United Nations Participation Act of 1945. Such reimbursements may not exceed $5,000,000 in any fiscal year unless a greater amount is specified in authorizing legislation.

"(c) RELATION TO OTHER PROVISIONS.—The authority provided by this chapter to furnish assistance for the purposes specified in subsection (a) is in addition to any other authority which may be available for those purposes. Assistance provided under this chapter may be made available notwithstanding any provision of law that restricts assistance to foreign countries.

"SEC. 2602. SPECIAL TRANSFER AND DRAWDOWN AUTHORITIES.

"(a) UNFORESEEN EMERGENCIES.—If the President determines that, as the result of an unforeseen emergency, the provision of assistance under this chapter in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States, the President may—

"(1) exercise the authority of section 6101 of this Act to transfer for use under this chapter funds available for economic support assistance without regard to the 20-percent increase limitation contained in such section, except that the total amount so transferred in any fiscal year may not exceed $15,000,000; and

"(2) in the event the President also determines that such unforeseen emergency requires the immediate provision of assistance under this chapter, direct the drawdown of commodities and services, of an aggregate value not to exceed $25,000,000 in any fiscal year, from the inventory and resources of any agency of the United States Government.

"(b) REIMBURSEMENT.—There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for commodities and services provided under this section.

"SEC. 2603. ADMINISTRATIVE AUTHORITIES.

"Except where expressly provided to the contrary, any reference in any law to title I of this Act shall be deemed to include reference to this chapter and any reference in any law to title II of this Act shall be deemed to exclude reference to this chapter.

"SEC. 2604. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out this chapter $28,000,000 for fiscal year 1992 and $28,000,000 for fiscal year 1993.

"CHAPTER 7—STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

"SEC. 2701. RESTRICTIONS ON STOCKPILING.

"(a) REMOVAL FROM STOCKPILING.—Defense articles in the inventory of the Department of Defense which are set aside, reserved, or in any way earmarked or intended for future use by any foreign country may not be made available to or for use by any foreign country unless—

"(1) such transfer is authorized under this Act or the Defense Trade and Export Control Act; and

"(2) the value of such transfer is charged against funds authorized under this Act or against any limitations which may be established by the Congress, as appropriate, for the fiscal period in which the defense articles are transferred.

"(b) VALUE.—

"(1) DEFINITION.—For purposes of subsection (a), 'value' means acquisition cost plus crating, packing, handling, and transportation costs incurred in carrying out this section.

"(2) LIMITATION.—A defense article transferred from any stockpile which is made available to or for use by any foreign country may not be considered an excess defense article for the purpose of determining the value of that defense article.

"SEC. 2702. LOCATION OF STOCKPILES.

"(a) LIMITATION.—Except as provided in subsection (b), no stockpile may be located outside the boundaries of a United States military base or a military base used primarily by the United States.

"(b) EXCEPTIONS.—Subsection (a) does not apply with respect to stockpiles located in the Republic of Korea, Thailand, any country that is a member of the North Atlantic Treaty Organization, any country that is a major non-NATO ally, or any other country the President may designate. At least 15 days before designating a country pursuant to the last clause of the preceding sentence, the President shall notify the appropriate congressional committees in accordance with the procedures applicable to

reprogramming notifications under section 6304 of this Act.

"SEC. 2703. ADDITIONS TO WAR RESERVE STOCKS.

"(a) LIMITATION.—The value of additional defense articles to be set aside, earmarked, reserved, or intended for use as war reserve stocks for allied or other foreign countries (other than for purposes of the North Atlantic Treaty Organization) in stockpiles located in foreign countries may not exceed in any fiscal year an amount that is specified in legislation authorizing military assistance programs for that fiscal year.

"(b) AUTHORIZATION OF ADDITIONS.—The value of such additions to stockpiles in foreign countries shall not exceed $429,000,000 for fiscal year 1992 and shall not exceed $429,000,000 for fiscal year 1993.

"CHAPTER 8—INTERNATIONAL TERRORISM

"SEC. 2801. COORDINATION OF ALL UNITED STATES TERRORISM-RELATED ASSISTANCE TO FOREIGN COUNTRIES.

"(a) COORDINATION.—The Secretary of State shall be responsible for coordinating all assistance related to international terrorism which is provided by the United States Government.

"(b) REPORTS.—Not later than February 1 each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance related to international terrorism which was provided by the United States Government during the preceding fiscal year. Such reports may be provided on a classified basis to the extent necessary, and shall specify the amount and nature of the assistance provided.

"(c) RULE OF CONSTRUCTION.—Nothing contained in this section shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333.

"SEC. 2802. CONSIDERATIONS IN PROVIDING ASSISTANCE.

"(a) TRANSNATIONAL THREAT OF TERRORISM.—Terrorism continues to pose a danger to a stable world order, and to endanger the ability of the people of the United States and the world to live and travel in peace and safety.

"(b) CONSIDERATIONS IN PROVIDING ASSISTANCE.—In providing assistance under this Act, the President should take into account the cooperation provided by other countries in connection with matters related to international terrorism, including such matters as whether a country grants sanctuary from prosecution to individuals or groups that have engaged in international terrorism.

"SEC. 2803. ANTITERRORISM ASSISTANCE.

"(a) PURPOSES OF ASSISTANCE.—In helping meet the transnational threat posed by terrorism, activities conducted under this chapter shall be designed—

"(1) to enhance the antiterrorism skills of friendly countries by providing training and equipment to deter and counter terrorism;

"(2) to strengthen the bilateral ties of the United States with friendly governments by offering concrete assistance in this area of great mutual concern; and

"(3) to increase respect for human rights by sharing with foreign civil authorities modern, humane, and effective antiterrorism techniques.

"(b) AUTHORITY TO PROVIDE ASSISTANCE.—Subject to the provisions of this chapter, the President is authorized to furnish assistance to foreign countries in order to enhance the ability of their law enforcement personnel to deter terrorists and terrorist groups from engaging in international terrorist acts such as bombing, kidnaping, assassination, hostage taking, and hijacking. Such assistance may include training services and the provision of equipment and other commodities related to bomb detection and disposal, management of hostage situations, physical security, and other matters relating to the detection, deterrence, and prevention of acts of terrorism, the resolution of terrorist incidents, and the apprehension of those involved in such acts.

"SEC. 2804. AUTHORITIES AND LIMITATIONS.

"(a) GRANT ASSISTANCE.—

"(1) AUTHORIZATION.—Services and commodities may be granted for the purposes of this chapter to eligible foreign countries, subject to reimbursement of the value thereof (within the meaning of section 7601(d)(9)) pursuant to section 7201 of this Act from funds available to carry out this chapter.

"(2) EXEMPTION FROM PROHIBITION ON LAW ENFORCEMENT ASSISTANCE.—Section 6202 (relating to the prohibition on assistance for law enforcement forces) does not apply with respect to assistance provided under paragraph (1).

"(b) REIMBURSED ASSISTANCE,—

"(1) AUTHORIZATION.—Whenever the President considers it to be consistent with and in furtherance of the purposes of this chapter any agency of the United States Government is authorized to furnish services and commodities, without charge to funds available to carry out this chapter, to an eligible foreign country, subject to payment in advance of the value thereof (within the meaning of section 7601(d)(9)) in United States dollars by the foreign country.

"(2) PROHIBITION ON USE OF FOREIGN MILITARY FINANCING FOR REPAYMENT.—Foreign military financing assistance may not be used for payments under paragraph (1).

"(3) CREDITING OF COLLECTIONS.—Collections under this chapter shall be credited to the currently applicable appropriation, account, or fund of the agency providing such services and commodities and shall be available for the purposes for which such appropriation, account, or fund is authorized to be used.

"(c) HUMAN RIGHTS.—The Assistant Secretary of State for Human Rights and Humanitarian Affairs shall be consulted in the development and implementation of the antiterrorism assistance program under this chapter, including determinations of the foreign countries that will be furnished assistance under this chapter and determinations of the nature of assistance to be furnished to each such country.

"(d) LIMITATIONS.—

"(1) TRAINING SERVICES.—Training services (including short term refresher training) provided pursuant to this chapter may be conducted outside the United States only if—

"(A) the training to be conducted outside the United States will be provided during a period of not more than 30 days;

"(B) such training relates to—

"(i) aviation security;

"(ii) crisis management;

"(iii) document screening techniques;

"(iv) facility security;

"(v) maritime security;

"(vi) VIP protection; or

"(vii) the handling of detector dogs, except that only short term refresher training may be provided under this clause; and

"(C) at least 15 days before such training is to begin, the appropriate congressional committees are notified in accordance with the procedures applicable to reprogramming notifications under section 6304.

"(2) ADVICE OUTSIDE THE UNITED STATES.—Personnel of the United States Government authorized to advise eligible foreign countries on antiterrorism matters shall carry out their responsibilities, to the maximum extent possible, within the United States. Such personnel may provide advice outside the United States on antiterrorism matters to eligible foreign countries for periods not to exceed 30 consecutive calendar days.

"(3) TRAINING BY STATE DEPARTMENT PERSONNEL.—(A) Except as provided in subparagraph (B), employees of the Department of State shall not engage in the training of law enforcement personnel or the provision of services under this chapter.

"(B) Subparagraph (A) does not apply to training (including short term refresher training) or services provided to law enforcement personnel by employees of the Bureau of Diplomatic Security with regard to crisis management, facility security, or VIP protection.

"(4) MUNITIONS ITEMS.—(A) Articles on the United States Munitions List may be made available under this chapter only if—

"(i) they—

"(I) are small arms in category I (relating to firearms), ammunition in category III (relating to ammunition) for small arms in category I, articles in category IV(c) or VI(c) (relating to detection and handling of explosive devices), articles in category X (relating to protective personnel equipment), or articles in paragraph (b), (c), or (d) of category XIII (relating to speech privacy devices, underwater breathing apparatus, and armor plating), and

"(II) are directly related to antiterrorism training under this chapter;

"(ii) the recipient country is not prohibited by law from receiving foreign military financing assistance or international military education and training; and

"(iii) at least 15 days before the articles are made available to the foreign country, the President notifies the appropriate congressional committees of the proposed transfer, in accordance with the procedures applicable to reprogramming notifications under section 6304.

"(B) No shock batons or similar devices may be provided under this chapter.

"(5) EQUIPMENT TRANSFERS.—The value (in terms of original acquisition cost) of all equipment and commodities provided under subsection (a) in any fiscal year may not exceed 25 percent of the funds made available to carry out this chapter for that fiscal year.

"(6) ASSISTANCE RELATING TO INTELLIGENCE ACTIVITIES.—Assistance under this chapter shall not include activities authorized by the National Security Act of 1947 (50 U.S.C. 401 and following), the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a and following), and Executive Order 12333, other than limited training in the organization of intelligence for antiterrorism purposes under the provisions of this chapter.

"(7) PERSONNEL COMPENSATION OR BENEFITS.—Funds made available to carry out this chapter may not be used for personnel compensation or benefits.

"(e) INFORMATION EXCHANGE ACTIVITIES.—This chapter does not apply to information exchange activities conducted by agencies of the United States Government under other authority for such purposes.

"SEC. 2805. REPORTS TO CONGRESS.

"(a) NOTICE TO CONGRESS.—Not less than 30 days before providing assistance to a foreign country under this chapter, the President

shall transmit to the appropriate congressional committees a written notification which specifies—

"(1) the country to which such assistance is to be provided;

"(2) the type and value of the assistance to be provided;

"(3) the terms and duration of assistance; and

"(4) an explanation of how the proposed assistance will further the objectives of this chapter to assist eligible foreign countries in deterring terrorism.

"(b) CONGRESSIONAL PRESENTATION DOCUMENTS.—The annual congressional presentation documents shall include—

"(1) a list of the countries which received assistance under this chapter for the preceding fiscal year, a list of the countries which are programmed to receive assistance under this chapter for the current fiscal year, and a list of the countries which are proposed as recipients of assistance under this chapter for the next fiscal year;

"(2) with respect to each country listed pursuant to paragraph (1) and for each such fiscal year, a description of the assistance under this chapter furnished, programmed, or proposed, including—

"(A) the place where training or other services under this chapter were or will be furnished, the duration of such training or other services, and the number of personnel from that country that received or will receive training under this chapter;

"(B) the types of equipment or other commodities which were or will be furnished under this chapter; and

"(C) whether the assistance was furnished on a grant basis, on an advance payment basis, or on some other basis; and

"(3) a description of the ways in which the provision of such assistance has furthered the objective of enhancing the ability of foreign law enforcement authorities to deter acts of terrorism.

"SEC. 2806. ADMINISTRATIVE AUTHORITIES.

"Except where expressly provided to the contrary, any reference in any law to title I of this Act shall be deemed to include reference to this chapter and references to title II shall be deemed to exclude reference to this chapter.

"SEC. 2807. AUTHORIZATIONS OF APPROPRIATIONS.

"There are authorized to be appropriated to the President to carry out this chapter $15,000,000 for fiscal year 1992 and $15,000,000 for fiscal year 1993.

"SEC. 2808. PROHIBITION ON ASSISTANCE TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

"(a) PROHIBITION.—The United States shall not provide any assistance under this Act, the Agricultural Trade Development and Assistance Act of 1954, the Peace Corps Act, or the Export-Import Bank Act of 1945 to any country if the Secretary of State determines that the government of that country has repeatedly provided support for acts of international terrorism.

"(b) PUBLICATION OF DETERMINATIONS.—Each determination of the Secretary of State under subsection (a), including each determination in effect on the date of the enactment of the Antiterrorism and Arms Export Amendments Act of 1989, shall be published in the Federal Register.

"(c) RESCISSION.—A determination made by the Secretary of State under subsection (a) may not be rescinded unless the President submits to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate—

"(1) before the proposed rescission would take effect, a report certifying that—

"(A) there has been a fundamental change in the leadership and policies of the government of the country concerned;

"(B) that government is not supporting acts of international terrorism;

"(C) that government has provided assurances that it will not support acts of international terrorism in the future; or

"(2) at least 45 days before the proposed rescission would take effect, a report justifying the rescission and certifying that—

"(A) the government concerned has not provided any support for international terrorism during the preceding 6-month period; and

"(B) the government concerned has provided assurances that it will not support acts of international terrorism in the future.

"(d) WAIVER.—Assistance prohibited by subsection (a) may be provided to a country described in that subsection if—

"(1) the President determines that national security interests or humanitarian reasons justify a waiver of subsection (a), except that humanitarian reasons may not be used to justify assistance under this chapter, any other chapter of this title (including chapter 6), chapter 3 of title I (relating to economic support assistance), or the Export-Import Bank Act of 1945; and

"(2) at least 15 days before the waiver takes effect, the President consults with the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate regarding the proposed waiver and submits a report to Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate containing—

"(A) the name of the recipient country;

"(B) a description of the national security interests or humanitarian reasons which require the waiver;

"(C) the type and amount of and the justification for the assistance to be provided pursuant to the waiver; and

"(D) the period of time during which such waiver will be effective.

The waiver authority granted in this subsection may not be used to provide any assistance under this Act which is also prohibited by section 40 of the Defense Trade and Export Control Act.

"CHAPTER 9—OTHER PROVISIONS

"Subchapter A—Special Drawdown Authorities

"SEC. 2901. SPECIAL DRAWDOWN AUTHORITIES.

"(a) UNFORESEEN EMERGENCIES REQUIRING MILITARY ASSISTANCE.—If the President determines and reports to the Congress that—

"(1) an unforeseen emergency exists which requires immediate military assistance to a foreign country or international organization, and

"(2) the emergency requirement cannot be met under the authority of the Defense Trade and Export Control Act or any other law except this section,

the President may direct, for purposes of providing grant assistance under the authorities of chapter 2 or chapter 5, the drawdown of defense articles from the stocks of the Department of Defense or the drawdown of defense services of the Department of Defense.

"(b) SPECIAL CIRCUMSTANCES REQUIRING NONMILITARY ASSISTANCE.—If the President determines that it is in the national interest of the United States to do so, the President may direct the drawdown of commodities from the stocks of the Department of Defense or the drawdown of defense services of the Department of Defense for purposes of providing—

"(1) international narcotics control assistance;

"(2) international disaster assistance; or

"(3) assistance under the authorities of the Migration and Refugee Assistance Act of 1962.

"(c) AGGREGATE ANNUAL CEILINGS.—The aggregate value of—

"(1) defense articles and defense services made available under subsection (a) may not exceed $100,000,000 in any fiscal year; and

"(2) commodities and services made available under subsection (b) may not exceed $75,000,000 in any fiscal year.

"(d) NOTICE TO CONGRESS.—

"(1) PRIOR NOTICE.—The President may exercise the authority of this section upon providing notification to the appropriate congressional committees. In the case of drawdowns authorized under paragraphs (1) and (3) of subsection (b), notification shall be provided 15 days in advance, in accordance with procedures applicable to reprogramming notifications under section 6304.

"(2) CONTINUING INFORMATION.—The President shall keep the Congress fully and currently informed of all defense articles, defense services, commodities, and services provided under this section.

"(e) NONAPPLICABILITY OF REQUIREMENT FOR REIMBURSEMENT FROM EXISTING ASSISTANCE FUNDS.—Section 7201(d) does not apply with respect to defense articles, defense services, commodities, or services made available under this section.

"(f) MILITARY EDUCATION AND TRAINING.—For purposes of this section, the terms 'defense services' and 'services' shall be deemed to include military education and training.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles, defense services, commodities, and services provided under this section.

"Subchapter B—Exercise and Coordination of Functions

"SEC. 2921. RESPONSIBILITIES OF THE SECRETARY OF STATE.

"Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of the assistance programs authorized by this title to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby. The Secretary's responsibilities under this section include decisions of whether there will be a military assistance program for a country and the amount of such program.

"SEC. 2922. RESPONSIBILITIES OF THE SECRETARY OF DEFENSE.

"(a) GENERAL RESPONSIBILITIES.—In the case of assistance under this title, the Secretary of Defense shall have primary responsibility for—

"(1) the determination of military end-item requirements;

"(2) the procurement of military equipment in a manner which permits its integration with service programs;

"(3) the supervision of end-item use by the recipient countries;

"(4) the supervision of the training of foreign military and related civilian personnel;

"(5) the movement and delivery of military end-items; and

"(6) within the Department of Defense, the performance of any other functions with respect to the furnishing of military assistance.

"(b) PROCUREMENT, DELIVERY, AND ALLOCATION OF DEFENSE ARTICLES AND SERVICES.—The Secretary of Defense shall be responsible for establishing priorities in the procurement, delivery, and allocation of defense articles and defense services.

"SEC. 2923. SECURITY ASSISTANCE COORDINATION.

"(a) SECURITY ASSISTANCE COORDINATOR.—The President shall appoint, by and with the advice and consent of the Senate, one officer for the purpose of coordinating security assistance programs.

"(b) MILITARY ASSISTANCE RECOMMENDATIONS.—The chief of the United States diplomatic mission to a country shall ensure that recommendations pertaining to military assistance programs for that country are coordinated with political and economic considerations.

"Subchapter C—Miscellaneous

"SEC. 2941. PERSONNEL LIMITED TO NONCOMBATANT DUTIES.

"Personnel providing defense services under chapter 2, performing functions under chapter 4, or providing military education and training under chapter 5 may not perform duties of a combatant nature (including any duty related to training and advising that may engage United States personnel in combat activities) outside the United States in connection with the performance of their duties under those chapters.".

SEC. 202. CONFORMING AMENDMENTS.

The Arms Export Control Act is amended as follows:

(1) Section 2(b) is amended—

(A) by striking out "financing," both places it appears; and

(B) by striking out "or financing for" in paragraph (1).

(2) Section 3(c) is amended—

(A) in paragraph (1), by striking out "(1)(A) No" and all that follows through "(B) No" and inserting in lieu thereof "(1) No";

(B) in paragraph (1), as amended by subparagraph (A), by striking out "this Act, or any predecessor Act," and inserting in lieu thereof ", through sale, financing, or otherwise, under this Act or the Foreign Assistance Act of 1961 (or under any predecessor military sales or foreign assistance legislation)";

(C) in paragraph (3)(A), by striking out "subparagraph (A)" and all that follows through "such paragraphs," and inserting in lieu thereof "paragraph (1)"; and

(D) in paragraph (3)(B), by striking out "subparagraph (B) of".

(3) Section 3 is amended—

(A) in subsection (d), by striking out "section 505(a)(1) or 505(a)(4)" and inserting in lieu thereof "section 2203(a)(1)"; and

(B) in subsection (e), by striking out "section 505" and inserting in lieu thereof "section 2203(a)(1)".

(4) Section 5(a) is amended by striking out ", and no credits (including participations in credits) or guaranties extended to or for" and inserting in lieu thereof "to".

(5) Section 6 is amended—

(A) by striking out ", no credits or guarantees may be extended,"; and

(B) by inserting "and no foreign military financing assistance may be furnished under the Foreign Assistance Act of 1961" after "this Act".

(6) Section 21 is amended—

(A) in subsection (c)(1), by striking out "sold"; and

(B) in subsection (e)(1)(B), by striking out "either from" and all that follows through "nonrepayable basis under" and inserting in lieu thereof "from either (i) funds made available on a grant basis under chapter 2 of title II of the Foreign Assistance Act of 1961, or (ii) funds which, prior to the effective date specified in section 1101 of the International Cooperation Act of 1991, were transferred under the former authority of section 503(a)(3) of the Foreign Assistance Act of 1961 or were made available on a nonrepayment basis under the former authority of".

(7) Section 23 is repealed.

(8) Section 24 is amended—

(A) by amending the section caption to read "PROVISIONS RELATING TO FORMER CREDIT AND GUARANTY AUTHORITIES";

(B) in subsection (a), by striking out "The" in the first sentence and inserting in lieu thereof "To the extent necessary to carry out the provisions under the heading "FOREIGN MILITARY SALES DEBT REFORM" in title III of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100-202), the";

(C) in subsection (b) by inserting "before the effective date specified in section 1101 of the International Cooperation Act of 1991" after "section 23"; and

(D) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The single reserve established under this section for the payment of claims under guaranties issued under the authority of this section may be referred to as the 'Foreign Military Loan Liquidating Account'.

"(d) Any guaranties issued under the authority of this section are backed by the full faith and credit of the United States.".

(9) Section 25(a) is amended—

(A) in paragraph (5)(A) by striking out "military education" and all that follows through "guarantees," and inserting in lieu thereof "and assistance under chapter 2 or chapter 5 of title II of the Foreign Assistance Act of 1961,";

(B) in paragraph (5)(B) by striking out "credits or guaranties under this Act" and inserting in lieu thereof "financing under chapter 2 of title II of the Foreign Assistance Act of 1961"; and

(C) in paragraph (11)—

(i) by striking out "the Arms Export Control Act" and inserting in lieu thereof "section 23 or 24 of this Act"; and

(ii) by inserting before the semicolon at the end of the paragraph the following: ", and the status of each extension of credit for the procurement of defense articles or defense services under chapter 2 of title II of the Foreign Assistance Act of 1961 with respect to which there remains outstanding any unpaid obligation or potential liability".

(10) Section 25(d), as added by 112(b) of the International Security and Development Cooperation Act of 1985, is amended by striking out "this Act or under section 503(a)(3)" and inserting in lieu thereof "chapter 2 of title II".

(11) Section 31 is repealed.

(12) Section 36(a) is amended—

(A) in paragraph (7), by striking out "part" and inserting in lieu thereof "title"; and

(B) in paragraph (10), by striking out "505(a)(1)(B)" and inserting in lieu thereof "2203(a)(1)(A)".

(13) Section 37 is amended—

(A) in the section caption by striking out "RELATING TO FOREIGN MILITARY SALES CREDITS";

(B) in subsection (a), by striking out "section 23" and inserting in lieu thereof "the former authority of section 23 or under the authority of chapter 2 of title II of the Foreign Assistance Act of 1961"; and

(C) in subsection (b), by inserting "the former authority of" after "extended pursuant to".

(14) Section 40(a)(3) is amended by striking out "505(a)" and inserting in lieu thereof "2203(a)".

(15) Section 42 is amended—

(A) in subsection (a) by striking out ", but subject to subsection (b) of this section," in the first sentence and inserting in lieu thereof a semicolon;

(B) by repealing subsections (b) and (c) and redesignating subsections (d) through (f) as subsections (b) through (d), respectively; and

(C) in subsection (b)(1), as so redesignated, by striking out "and guaranties under sections 21, 22, 23, 24," and inserting in lieu thereof "under sections 21, 22,".

SEC. 203. TRANSITION RULE CONCERNING DISPOSITION OF CERTAIN PREVIOUSLY PROVIDED MILITARY EQUIPMENT.

To the extent provided in appropriations Acts, the President may waive requirements imposed pursuant to sections 505 (a)(4) and (f) of the Foreign Assistance Act of 1961, as in effect before the effective date specified in section 1101 of this Act, with respect to defense articles or related training or other defense services furnished before that date.

CHAPTER 2—FOREIGN MILITARY SALES PROGRAM

SEC. 221. ARMS TRANSFER POLICY.

(a) ESTABLISHMENT OF NEW POLICY.—The Arms Export Control Act is amended by striking out the first section and section 1 and inserting in lieu of section 1 the following:

"SECTION 1. SHORT TITLE AND STATEMENT OF UNITED STATES ARMS TRANSFER POLICY.

"(a) SHORT TITLE.—This Act may be cited as the 'Defense Trade and Export Control Act'.

"(b) POLICY OBJECTIVES.—The policy of the United States in implementing the authorities of this Act relating to sales and other transfers of defense articles, defense services, and design and construction services shall be based upon the following objectives:

"(1) Ensuring that such transfers are fully consistent with the foreign and national security policies of the United States.

"(2) Ensuring that such transfers directly enhance or achieve specific national defense requirements of the recipient country or objectives of mutual concern and contribute directly to the common defense.

"(3) Promoting defense cooperation through the transfer of United States major defense equipment and other defense articles and defense services, including through licensed production and coproduction.

"(4) Promoting rationalization, standardization, and interoperability of foreign military forces with the Armed Forces of the United States.

"(5) Contributing to the deterrence of aggression and promoting regional security by enabling recipient countries to negotiate peaceful solutions to conflicts with confidence.

"(6) Enabling recipient countries to participate in regional or collective arrangements or other measures consistent with the Charter of the United Nations.

"(7) Enabling recipient countries to participate in collective measures requested by the United Nations.

"(8) Complementing United States efforts to restrain and control the international transfer of defense articles and defense serv-

ices and to encourage international conventional arms control arrangements.

"(c) MULTILATERAL CONTROLS ON TRANSFERS OF DEFENSE ARTICLES AND DEFENSE SERVICES.—The President should continue to seek, through negotiations with the Soviet Union and other countries that supply or receive defense articles and defense services, the establishment of effective multilateral controls on the transfer of defense articles and defense services.".

(b) CONFORMING AMENDMENTS RELATING TO PURPOSES FOR WHICH DEFENSE ARTICLES MAY BE USED.—

(1) REPEAL OF EXISTING PURPOSE SECTION.—Section 4 of that Act is repealed.

(2) INELIGIBILITY.—Section 3(c) of that Act is amended—

(A) in paragraph (1), as amended by section 202 of this Act, by striking out "authorized under section 4" and inserting in lieu thereof "specified in paragraph (5)"; and

(B) by adding at the end the following:

"(5) The purposes referred to in paragraph (1) are the following:

"(A) Legitimate self-defense.

"(B) Participation in regional or collective arrangements or measures consistent with the Charter of the United Nations, or participation in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security.

"(C) Internal security.

"(D) Construction of public works, or other activities which contribute to the economic and social development of the recipient country.

"(E) Such other purposes as may be provided for in particular provisions of law.".

(c) CONFORMING REFERENCES TO ACT.—Unless it would be inconsistent with the context in which the reference appears, any reference in any law to the Arms Export Control Act shall be deemed to be a reference to the Defense Trade and Export Control Act (as so redesignated by this section) and any reference in any law to the Defense Trade and Export Control Act shall be deemed to include the Arms Export Control Act.

SEC. 222. IMPROVED ACCOUNTING FOR FOREIGN MILITARY SALES.

Section 37 of the Defense Trade and Export Control Act is amended by adding at the end the following:

"(d) FMS FINANCIAL MANAGEMENT.—The President shall take the following steps to address the financial management problems that exist with respect to payments on account of sales under this Act:

"(1) NEW TRUST FUND.—Establish a new account for the deposit of funds with respect to any sale of defense articles, defense services, or design and construction services under section 21 or section 22 of this Act entered into after September 30, 1992, in order to isolate financial transactions relating to new sales from those relating to previous sales.

"(2) CENTRALIZED ACCOUNTING SYSTEM.—Establish a centralized accounting system with respect to payments received, payments made, and performance pursuant to payments with respect to sales under this Act. This system shall have the necessary access to the relevant accounting and billing systems maintained by each of the military services with respect to such sales. This centralized accounting system shall be fully operational not later than September 30, 1992.

"(3) COORDINATION OF ACCOUNTING AND BILLING SYSTEMS.—Improve coordination and uniformity among the accounting and billing systems maintained by each of the military services with respect to such sales.

"(4) RECONCILIATION OF FMS CASES.—Reconcile the discrepancies between reported disbursements and reported performance with respect to those sales under this Act which are still being implemented and with respect to those sales under this Act which have been completed.".

SEC. 223. DESIGNATION OF MAJOR NON-NATO ALLIES.

(a) DESIGNATION.—

(1) NOTICE TO CONGRESS.—Chapter 4 of the Defense Trade and Export Control Act is amended by adding at the end the following:

"SEC. 48. DESIGNATION OF MAJOR NON-NATO ALLIES.

"(a) NOTICE TO CONGRESS.—The President shall notify the Congress in writing at least 30 days before—

"(1) designating a country as a major non-NATO ally for purposes of this Act and the Foreign Assistance Act of 1961, or

"(2) terminating such a designation.

"(b) INITIAL DESIGNATIONS.—Australia, Egypt, Israel, Japan, and the Republic of Korea shall be deemed to have been so designated by the President as of the effective date of this section, and the President is not required to notify the Congress of such designation of those countries.".

(2) DEFINITION.—Section 47 of that Act is amended—

(A) by striking out "and" at the end of paragraph (7);

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(9) 'major non-NATO ally' means a country which is designated in accordance with section 48 as a major non-NATO ally for purposes of this Act and the Foreign Assistance Act of 1961.".

(3) EXISTING DEFINITIONS.—(A) The last sentence of section 21(g) of that Act is repealed.

(B) Section 65(d) of that Act is amended—

(i) by striking out "or major non-NATO", and

(ii) by striking out "or a" and all that follows through "Code".

(b) COOPERATIVE TRAINING AGREEMENTS.—Section 21(g) of that Act is amended in the first sentence by striking out "similar agreements" and all that follows through "other countries" and inserting in lieu thereof "similar agreements with countries".

SEC. 224. CERTIFICATION THRESHOLDS.

(a) INCREASE IN DOLLAR THRESHOLDS.—The Defense Trade and Export Control Act is amended—

(1) in section 3(d)—

(A) in paragraphs (1) and (3), by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000"; and

(B) in paragraphs (1) and (3), by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000";

(2) in section 36—

(A) in subsections (b)(1), (b)(5)(C), and (c), by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000"; and

(B) in subsections (b)(1), (b)(5)(C), and (c), by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000"; and

(C) in subsections (b)(1) and (b)(5)(C), by striking out "200,000,000" and inserting in lieu thereof "$300,000,000"; and

(3) in section 63—

(A) by striking out "$14,000,000" and inserting in lieu thereof "$18,000,000"; and

(B) by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to certifications required to be submitted on or after the effective date specified in section 1101 of this Act.

SEC. 225. STANDARDIZING CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS.

(a) THIRD COUNTRY TRANSFERS UNDER FMS SALES.—Section 3(d)(2) of the Defense Trade and Export Control Act is amended—

(1) in subparagraph (A), by striking out ", as provided for in sections 36(b)(2) and 36(b)(3) of this Act";

(2) in subparagraph (B), by striking out "law" and inserting in lieu thereof "joint resolution"; and

(3) by adding at the end the following:

"(C) If the President states in his certification under subparagraph (A) or (B) that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States, thus waiving the requirements of that subparagraph, the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate immediate consent to the transfer and a discussion of the national security interests involved.

"(D)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(b) THIRD COUNTRY TRANSFERS UNDER COMMERCIAL SALES.—Section 3(d)(3) of that Act is amended—

(1) by inserting "(A)" after "(3)";

(2) in the first sentence—

(A) by striking out "at least 30 calendar days", and

(B) by striking out "report" and inserting in lieu thereof "certification"; and

(3) by striking out the last sentence and inserting in lieu thereof the following: "Such certification shall be submitted—

"(i) at least 15 calendar days before such consent is given in the case of a transfer to a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand (if this clause is applicable to New Zealand pursuant to paragraph (5) of this subsection), and

"(ii) at least 30 calendar days before such consent is given in the case of a transfer to any other country,

unless the President states in his certification that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States. If the President states in his certification that such an emergency exists (thus waiving the requirements of clause (i) or (ii), as the case may be, and of subparagraph (B)) the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that consent to the proposed transfer become effective immediately and a discussion of the national security interests involved.

"(B) Consent to a transfer subject to subparagraph (A) shall become effective after the end of the 15-day or 30-day period specified in subparagraph (A)(i) or (ii), as the case

may be, only if the Congress does not enact, within that period, a joint resolution prohibiting the proposed transfer.

"(C)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(c) DESIGNATION REQUIRED FOR NEW ZEALAND TO RECEIVE ADDITIONAL PREFERENTIAL CONGRESSIONAL REVIEW.—Section 3(d) of that Act is further amended by adding at the end the following:

"(5) Clause (i) of paragraph (3)(A) of this subsection, section 36(c)(2)(A), section 36(d)(2)(A), and section 62(c)(1) apply with respect to New Zealand only if the President has reported to the Congress that he has designated New Zealand as being subject to the shorter congressional review period provided for in those provisions because—

"(A) New Zealand is a member of a military alliance with the United States,

"(B) applying the shorter review period would encourage New Zealand to remove obstacles to entering a military alliance with the United States, or

"(C) to do so would be in the national security interest of the United States.".

(d) COMMERCIAL SALES.—Section 36(c)(2) of that Act is amended by amending subparagraphs (A) and (B) to read as follows:

"(A) in the case of a license for an export to the North Atlantic Treaty Organization, any member country of that Organization, or Australia, Japan, or New Zealand (if this subparagraph is applicable to New Zealand pursuant to section 3(d)(5)), shall not be issued until at least 15 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 15-day period, enacts a joint resolution prohibiting the proposed export; and

"(B) in the case of any other license, shall not be issued until at least 30 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 30-day period, enacts a joint resolution prohibiting the proposed export.".

(e) COMMERCIAL MANUFACTURING AGREEMENTS.—Section 36(d) of that Act is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "for or in a country not a member of the North Atlantic Treaty Organization"; and

(3) by adding at the end the following:

"(2) A certification under this subsection shall be submitted—

"(A) at least 15 days before approval is given in the case of an agreement for or in a country which is a member of the North Atlantic Treaty Organization, Australia, Japan, or New Zealand (if this subparagraph is applicable to New Zealand pursuant to section 3(d)(5)); and

"(B) at least 30 days before approval is given in the case of an agreement for or in any other country;

unless the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States.

"(3) If the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States, thus waiving the requirements of paragraph (4), he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate approval of the agreement and a discussion of the national security interests involved.

"(4) Approval for an agreement subject to paragraph (1) may not be given under section 38 if the Congress, within the 15-day or 30-day period specified in paragraph (2)(A) or (B), as the case may be, enacts a joint resolution prohibiting such approval.

"(5)(A) Any joint resolution under paragraph (4) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under paragraph (4), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.".

(f) GOVERNMENT-TO-GOVERNMENT LEASES.—

(1) CONGRESSIONAL REVIEW PERIOD.—Section 62 of that Act is amended—

(A) in subsection (a) by striking out "Not less than 30 days before" and inserting in lieu thereof "Before";

(B) in subsection (b)—

(i) by striking out "determines, and immediately reports to the Congress" and inserting in lieu thereof "states in his certification,"; and

(ii) by adding at the end of the subsection the following: "If the President states in his certification that such an emergency exists, he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that the lease be entered into immediately and a discussion of the national security interests involved."; and

(C) by adding at the end of the section the following:

"(c) The certification required by subsection (a) shall be transmitted—

"(1) not less than 15 calendar days before the agreement is entered into or renewed in the case of an agreement with the North Atlantic Treaty Organization, any member country of that Organization, Australia, Japan, or New Zealand (if this paragraph is applicable to New Zealand pursuant to section 3(d)(5)); and

"(2) not less than 30 calendar days before the agreement is entered into or renewed in the case of an agreement with any other organization or country.".

(2) CONGRESSIONAL VETO.—Section 63(a) of that Act is amended—

(A) by striking out "(a)(1)" and inserting in lieu thereof "(a)";

(B) by striking out the "30 calendar days after receiving the certification with respect to that proposed agreement pursuant to section 62(a)," and inserting in lieu thereof "the 15-day or 30-day period specified in section 62(c) (1) or (2), as the case may be,"; and

(C) by striking out paragraph (2).

(g) EFFECTIVE DATE.—The amendments made by this section apply with respect to certifications required to be submitted on or after the effective date specified in section 1101 of this Act.

SEC. 226. FOREIGN AVAILABILITY.

Section 36 of the Defense Trade and Export Control Act is amended—

(1) in subsection (b)(1)—

(A) by adding after the first sentence the following: "Such certifications shall also contain an analysis of the extent to which comparable kinds and amounts of defense articles, defense services, or design and construction services are available from other countries."; and

(B) by striking out subparagraph (K) and by redesignating subparagraphs (L) through (P) as subparagraphs (K) through (O), respectively; and

(2) in subsection (c)(1), by adding after the first sentence the following: "Each such certification shall also contain an analysis of the extent to which comparable kinds and amounts of defense articles or defense services are available from other countries.".

SEC. 227. ECONOMIC IMPACT ON UNITED STATES OF ARMS SALES.

(a) CONGRESSIONAL PRESENTATION MATERIALS.—Section 25(a) of the Defense Trade and Export Control Act is amended—

(1) by redesignating paragraphs (11) and (12) as paragraphs (12) and (13), respectively; and

(2) by inserting the following new paragraph (11) after paragraph (10):

"(11) an analysis of the economic benefits or disadvantages to the United States of sales and licensed commercial exports under this Act during the preceding fiscal year;".

(b) ARMS SALE NOTIFICATIONS.—Section 36(b)(1) of that Act, as amended by section 226 of this Act, is further amended—

(1) by striking out "and" at the end of subparagraph (N);

(2) by striking out the period at the end of subparagraph (O) and inserting in lieu thereof "; and"; and

(3) by inserting after subparagraph (O) the following:

"(P) an analysis of the economic benefits or disadvantages to the United States of the proposed sale.".

SEC. 228. COPRODUCTION AGREEMENTS.

(a) QUARTERLY REPORTS ON COPRODUCTION AGREEMENTS.—Section 36(a) of the Defense Trade and Export Control Act is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (11) the following:

"(12) a report on all concluded government-to-government agreements governing foreign coproduction of defense articles of United States origin (including coproduction memoranda of understanding or agreement) that have not been previously reported under this paragraph, which shall include—

"(A) the identity of the foreign countries or international organizations involved;

"(B) a description and the estimated value of the articles authorized to be produced, and an estimate of the quantity of the articles authorized to be produced;

"(C) a description of any restrictions on third party transfers of the foreign-manufactured articles; and

"(D) if any such agreement does not provide for United States access to and verification of quantities of articles produced overseas and their disposition in the coproducing country, a description of alternative measures and controls incorporated in the coproduction program to ensure compliance with restrictions in the agreement on pro-

duction quantities and third party transfers.".

(b) SANCTIONS FOR UNAUTHORIZED THIRD COUNTRY TRANSFERS OF COPRODUCED DEFENSE ARTICLES.—The Defense Trade and Export Control Act, as amended by section 202 of this Act, is amended by inserting the following new section 31 at the beginning of chapter 3:

"SEC. 31. UNAUTHORIZED THIRD COUNTRY TRANSFERS OF DEFENSE ARTICLES COPRODUCED OR MANUFACTURED UNDER LICENSE ABROAD.

"(a) WHEN SANCTIONS REQUIRED.—The sanctions described in subsection (b) shall be applied as hereinafter provided if—

"(1) the foreign party to a coproduction agreement violates the restrictions in that agreement regarding unauthorized third country or third party transfers or other unauthorized dispositions of—

"(A) defense articles produced under that agreement, or

"(B) technical data or defense services provided under that agreement, and

"(2) that violation is substantial (either in terms of quantities or in terms of the gravity of the consequences regardless of the quantities involved).

"(b) DETERMINATION REQUIRED.—The sanctions described in this section shall apply if—

"(1) the President so determines and states in writing to the Congress, or

"(2) the Congress so determines by joint resolution.

"(c) SANCTIONS TO BE APPLIED.—If a determination is made under subsection (b) with respect to a foreign party to a coproduction agreement—

"(1) the authority or license to produce defense articles abroad that is granted by all coproduction agreements to which that foreign party is a party shall be suspended during the sanction period; and

"(2) licenses may not be issued and approval may not be granted under section 38 with respect to that foreign party during the sanction period.

"(d) SANCTION PERIOD.—As used in this section, the term 'sanction period' means the period—

"(1) beginning on the date on which the President notifies the Congress that he has made a determination pursuant to subsection (b)(1) or on which the Congress enacts a joint resolution pursuant to subsection (b)(2); and

"(2) ending on the date on which the President reports to the Congress that—

"(A) the violation has ceased; and

"(B) the foreign party has given assurances satisfactory to the President that such a violation will not recur.

"(e) REPORT TO CONGRESS.—The President shall report to the Congress promptly on the receipt of information a violation described in subsection (a) may have occurred.

"(f) DEFINITIONS.—As used in this section—

"(1) the term 'coproduction agreement' means an arrangement for foreign production of United States origin defense articles—

"(A) that is authorized or approved by a memorandum of understanding or a memorandum of agreement between a foreign government and the United States Government, or

"(B) that is pursuant to a manufacturing license agreement approved under section 38 of this Act; and

"(2) the term 'foreign party' means a foreign government or foreign business entity that is granted authority or license to produce defense articles abroad by a coproduction agreement.

"(g) EFFECTIVE DATE.—This section does not apply to violations occurring before the effective date of this section, but does apply with respect to all coproduction agreements without regard to whether they were entered into before or after that date.".

SEC. 229. ENFORCEMENT OF ARMS EXPORT LICENSING REQUIREMENTS.

(a) VIOLATIONS OF INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—

(1) DISQUALIFICATION AND FORFEITURE.—Section 38 of that Act is amended by inserting after subsection (c) the following:

"(d)(1) No contract between a foreign government and a person convicted or debarred for a violation of this section or section 39, or any rule or regulation issued under either section, may be approved for financing under chapter 2 of title II of the Foreign Assistance Act of 1961 during the 12 months following the date of such conviction or debarment.

"(2)(A) Any person who is convicted for a violation of this section or section 39, or any rule or regulation issued under either section, shall (in addition to any other penalty) forfeit to the United States—

"(i) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was the subject of the violation;

"(ii) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in any defense article or other tangible item that was used in—

"(I) the export or import or attempt to export or import, or

"(II) the contribution, gift, commission, or fee that was paid or offered or agreed to be paid,

that was the subject of the violation; and

"(iii) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

"(B) The procedures in any forfeiture under this paragraph, and the duties and authorities of the courts of the United States and the Attorney General with respect to any forfeiture action under this paragraph or with respect to any property that may be subject to forfeiture under this paragraph, shall be governed by section 1963 of title 18, United States Code. Any new budget authority provided by this subparagraph may be exercised only to such extent or in such amounts as are provided in advance in appropriation Acts.".

(2) EFFECTIVE DATE.—Subsection (d) of section 38 of that Act, as enacted by paragraph (1) of this subsection, shall take effect on the date of enactment of this Act or October 1, 1991 (whichever is later), and applies—

(A) in the case of paragraph (1) of subsection (d), with respect to convictions or debarments occurring on or after the effective date of that subsection; and

(B) in the case of paragraph (2) of subsection (d), with respect to convictions based on conduct occurring on or after the effective date of that subsection.

(3) CONFORMING AMENDMENT.—(A) Section 38(e) of that Act is amended by striking out "(e), and (g)" and inserting in lieu thereof "and (e)".

(B) The amendment made by subparagraph (A) does not apply with respect to convictions based on conduct occurring before the date specified in paragraph (2)(B).

(b) MUNITIONS CONTROL ENFORCEMENT PROCEDURES.—Section 38(g) of the Defense Trade and Export Control Act is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking out "are the subject of an indictment for, or have been convicted of," and inserting in lieu thereof "have been convicted of"; and

(B) in subparagraph (B), by striking out "are the subject of an indictment or";

(2) in paragraph (3)—

(A) by striking out subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) at the end of the first sentence, by striking out "may disapprove the application" and inserting in lieu thereof "should disapprove the application if doing so is necessary to further law enforcement objectives or otherwise serve the national interest";

(3) in paragraph (4), by inserting before the period at the end "or that foreign policy or national security considerations justify the issuance of the license to that person";

(4) in paragraph (5), by inserting "or international organization" after "foreign government"; and

(5) in paragraph (8)—

(A) by inserting "within 60 days" after "shall"; and

(B) by inserting before the period at the end ", and to assist with the processing of registration statements".

SEC. 230. BIENNIAL REVIEW OF THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.

Section 38(f) of the Defense Trade and Export Control Act is amended by striking out the first sentence and inserting in lieu thereof the following: "Not later than one year after the date of enactment of the International Cooperation Act of 1991 and at least once every 2 years thereafter, the President shall review the regulations issued to carry out this section, including the items listed on the United States Munitions List, for the purpose of determining what changes in those regulations are appropriate, including determining what items, if any, no longer warrant export controls under this section. Based on each such review, the President shall revise those regulations as necessary and shall publish a revised compilation of those regulations.".

SEC. 231. FAIR PRICING.

(a) RECOUPMENT OF NONRECURRING COSTS.—Section 21(e) of the Defense Trade and Export Control Act is amended by adding at the end the following:

"(4) To the extent provided in appropriations Acts, charges for defense articles that are not major defense equipment that are sold under this Act or licensed or approved for export under section 38 of this Act shall not include any nonrecurring costs of research on or development or production of those articles.".

(b) EFFECTIVE DATE.—Paragraph (4) of section 21(e) of the Defense Trade and Export Control Act (as added by subsection (a) of this section) applies with respect to defense articles sold on or after the effective date specified in section 1101 of this Act.

SEC. 232. CONTRACT ADMINISTRATIVE SERVICE CHARGES FOR NATO SUBSIDIARY BODIES.

Section 21(h)(1)(A) of the Defense Trade and Export Control Act is amended by inserting "or by a North Atlantic Treaty Organization subsidiary body on behalf of such foreign government" after "North Atlantic Treaty Organization".

SEC. 233. AMENDMENTS TO ELIMINATE OBSOLETE AND INCONSISTENT PROVISIONS.

The Defense Trade and Export Control Act is amended as follows:

(1) Section 5(d) is repealed.

(2) Section 25 is amended—

(A) in subsection (a), by striking out "Except as provided in subsection (d), no" and inserting in lieu thereof "No";

(B) in subsection (a), as amended by section 227 of this Act, by repealing paragraphs (4), (7), and (9), by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively, by redesignating paragraph (8) as paragraph (6), and by redesignating paragraphs (10) through (13) as paragraphs (7) through (10), respectively; and

(C) by repealing subsection (d), as added by section 113 of the International Security and Development Cooperation Act of 1985.

(3) Sections 33, 34, and 35 are repealed.

(4) Section 36 is amended—

(A) in the text preceding paragraph (1) of subsection (a), by striking out "an unclassified report" and all that follows through "containing" and inserting in lieu thereof "a report, which shall be unclassified to the maximum extent possible, containing";

(B) in subsection (a), as amended by section 228 of this Act, by striking out paragraphs (3), (5), and (6), by redesignating paragraph (4) as paragraph (3) and by redesignating paragraphs (7) through (12) as paragraphs (4) through (9), respectively; and

(C) in subsection (b)(1), by striking out "(9)" and "(8)" and inserting in lieu thereof "(6)" and "(5)", respectively.

(5) Sections 38(b)(3) and 41 are repealed.

(6) Sections 44 and 45 are amended—

(A) by repealing all of section 45 except the last sentence;

(B) by amending that sentence by striking out "Except for the laws specified in section 44, no" and inserting in lieu thereof "No"; and

(C) by inserting that sentence at the end of section 44.

(7) Section 46 is repealed.

SEC. 234. TECHNICAL CORRECTIONS.

The Defense Trade and Export Control Act is amended as follows:

(1) CORRECTION OF CROSS REFERENCES TO INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—(A) Section 3(a) is amended in the second sentence following paragraph (4)—

(i) by striking out "significant defense articles" and inserting in lieu thereof "significant military equipment"; and

(ii) by striking "such defense articles" both places it appears and inserting in lieu "such significant military equipment".

(B) Section 36(d) is amended by striking out "combat" and inserting in lieu thereof "military".

(2) CLERICAL ERRORS IN 1985 AUTHORIZATION ACT.—Subsection (d) of section 25, as added by section 112(b) of the International Security and Development Cooperation Act of 1985, is amended by striking out the semicolon at the end and inserting in lieu thereof a period.

CHAPTER 3—OTHER PROVISIONS

SEC. 241. DEPLETED URANIUM SHELLS.

(a) PROHIBITION.—Except as provided in subsection (b), none of the funds authorized to be appropriated by this or any other Act may be made available to facilitate in any way the sale of M–833 antitank shells, or any comparable antitank shells containing a depleted uranium penetrating component, to any country other than—

(1) a country which is a member of the North Atlantic Treaty Organization; and

(2) a country which has been designated as a major non-NATO ally (as defined in section 47(9) of the Defense Trade and Export Control Act).

(b) EXCEPTION.—Subsection (a) shall not apply if the President determines that its application is not in the national security interest of the United States.

SEC. 242. ARMS TRANSFERS RESTRAINT POLICY FOR THE MIDDLE EAST AND PERSIAN GULF REGION.

(a) FINDINGS.—The Congress finds that—

(1) nations in the Middle East and Persian Gulf region, which accounted for over 40 percent of the international trade in weapons and related equipment and services during the decade of the 1980's, are the principal market for the worldwide arms trade;

(2) regional instability, large financial resources, and the desire of arms-supplying governments to gain influence in the Middle East and Persian Gulf region, contribute to a regional arms race;

(3) the continued proliferation of weapons and related equipment and services contribute further to a regional arms race in the Middle East and Persian Gulf region that is politically, economically, and militarily destabilizing;

(4) the continued proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons, poses an urgent threat to security and stability in the Middle East and Persian Gulf region;

(5) the continued proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads undermines security and stability in the Middle East and Persian Gulf region;

(6) future security and stability in the Middle East and Persian Gulf region would be enhanced by establishing a stable military balance among regional powers by restraining and reducing both conventional and unconventional weapons;

(7) security, stability, peace, and prosperity in the Middle East and Persian Gulf region are vital to the welfare of the international economy and to the national security interests of the United States;

(8) future security and stability in the Middle East and Persian Gulf region would be enhanced through the development of a multilateral arms transfer and control regime similar to those of the Nuclear Suppliers' Group, the Missile Technology Control Regime, and the Australia Chemical Weapons Suppliers Group;

(9) such a regime should be developed, implemented, and agreed to through multilateral negotiations, including under the auspices of the 5 permanent members of the United Nations Security Council;

(10) confidence-building arms control measures such as the establishment of a centralized arms trade registry at the United Nations, cooperative verification measures, communications measures, advanced notification of military exercises, information exchanges, on-site inspections, and creation of a Middle East and Persian Gulf Conflict Prevention Center, are necessary to implement an effective multilateral arms transfer and control regime; and

(11) such a regime should be applied to other regions with the ultimate objective of achieving an effective global arms transfer and control regime, implemented and enforced through the United Nations Security Council.

(b) UNITED STATES POLICY REGARDING ARMS TRANSFERS TO THE MIDDLE EAST AND PERSIAN GULF REGION.—Accordingly, it shall be the policy of the United States to—

(1) only transfer defense articles and defense services to those nations of the Middle East and Persian Gulf region that have agreed that such articles and services will be used only for the purposes specified in section 3(c)(5) of the Defense Trade and Export Control Act (as amended by section 221(b) of this Act) and will not be used for military aggression or to coerce or intimidate other nations;

(2) only transfer defense articles and defense services to nations of the Middle East and Persian Gulf region after the United States has determined that such transfers will not destabilize the military balance of power within the region or contribute to the escalation of the arms race within the region;

(3) only transfer defense articles and defense services to those nations of the Middle East and Persian Gulf region that—

(A) have expressed willingness or are actively engaged in the process of negotiating peace agreements of the Arab-Israeli dispute through direct negotiations, and

(B) with respect to other conflicts in the region, have expressed willingness or are actively engaged in the process of negotiating peace agreements; and

(4) only transfer defense articles and defense services to nations in the Middle East and Persian Gulf region when such defense articles and defense services could credibly be used successfully for the defensive mission that is the justification for the transfer.

(c) CONVENING OF CONFERENCE TO NEGOTIATE A MULTILATERAL ARMS TRANSFER AND CONTROL REGIME.—As soon as practicable after the date of enactment of this Act, the President shall seek negotiations among, and undertake good faith efforts to convene a conference of, the five permanent members of the United Nations Security Council and other nations as appropriate, including members of the North Atlantic Treaty Organization, former members of the Warsaw Pact, and other nations selling military equipment and services, to establish a comprehensive multilateral arms transfer and control regime with respect to the Middle East and Persian Gulf region. The purpose of this regime should be—

(1) to slow and limit the proliferation of conventional weapons in nations in the Middle East and Persian Gulf region;

(2) to halt the proliferation of unconventional weapons, including nuclear, biological, and chemical weapons, as well as delivery systems associated with those weapons;

(3) to limit and halt the proliferation of ballistic missile technologies and ballistic missile systems that are capable of delivering conventional, nuclear, biological, or chemical warheads;

(4) to maintain the military balance in the Middle East and Persian Gulf region through reductions of conventional weapons and the elimination of unconventional weapons; and

(5) to promote regional arms control in the Middle East and Persian Gulf region.

(d) ARMS TRANSFER MORATORIUM.—

(1) ESTABLISHMENT.—Except as provided in paragraphs (2) and (3), the United States Government shall not agree to any transfers of major military equipment to any nation in the Middle East and Persian Gulf region. This moratorium is established to induce and encourage the other permanent members of the United Nations Security Council to join in this effort and also to induce and encourage other members of the North Atlantic Treaty Organization, former members of

the Warsaw Pact, and other major arms supplier nations to join in this effort.

(2) CONDITIONS FOR TERMINATION OF UNITED STATES MORATORIUM.—The requirement of paragraph (1) for a moratorium on United States arms transfers of major military equipment to the Middle East and Persian Gulf region shall cease to apply if the President submits to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives—

(A) a report stating that the President has determined that there has been agreement by another major arms supplier nation on or after May 21, 1991, to transfer any major military equipment to any nation in the Middle East and Persian Gulf region; and

(B) the reports required by subsection (e)(1)(A) and (B).

(3) EMERGENCY TRANSFERS.—Paragraph (1) does not apply to any transfer of major military equipment that is a necessary, emergency response to major and sustained hostilities in the Middle East and Persian Gulf region or to an imminent threat of such hostilities.

(4) MAJOR MILITARY EQUIPMENT.—As used in this subsection, the term "major military equipment" means—

(A) air-to-air, air-to-surface, and surface-to-surface missiles and rockets;

(B) turbine-powered military aircraft;

(C) attack helicopters;

(D) main battle tanks;

(E) submarines and major naval surface combatants; and

(F) nuclear, biological, and chemical weapons.

(5) EXEMPTION OF REPLACEMENT EQUIPMENT.—Paragraph (1) and paragraph (2)(A) do not apply with respect to transfers which only involve the replacement on a one-for-one basis of equipment of comparable quality that has become inoperable after the date of enactment of this Act.

(e) REPORTS TO CONGRESS.—

(1) REPORT ON PLAN FOR MULTILATERAL REGIME.—As soon as practicable after the date of enactment of this Act, the President shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives the following two reports:

(A) A report setting forth a United States plan for leading the world community in establishing a multilateral regime to restrict transfers of conventional and unconventional arms to the Middle East.

(B) A report analyzing the feasibility of an arms transfer and control regime among nations in the Middle East and the potential elements of such regime, including—

(i) the feasibility of opening for ratification or accession by nations of the Middle East and Persian Gulf region the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of their Intermediate-Range and Shorter-Range Missiles (done at Washington on December 8, 1987), which bans all ground-launched ballistic and cruise missiles having ranges between 500 and 5,500 kilometers;

(ii) what techniques used in the Treaty on Conventional Armed Forces in Europe (done at Paris on November 19, 1990) can be usefully applied to regional arms control initiatives in the Middle East and Persian Gulf region; and

(iii) whether the "Open Skies" regime under consideration for countries in Europe and North America can be usefully applied to the Middle East and Persian Gulf region.

(2) REPORTS ON TRANSFERS AND REGIONAL BALANCE.—Not later than October 1 of each year, beginning in the first calendar year which begins after the date of enactment of this Act, the President shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report—

(A) documenting all transfers of conventional and unconventional arms to the Middle East over the previous year and the previous 5 years, including sources, types, and acquirers of weapons;

(B) analyzing the current military balance in the region, including the effect on the balance of transfers documented under subparagraph (A);

(C) describing the operation of any agreements comprising the multilateral arms transfer and control regime envisaged by this section; and

(D) identifying supplier nations that have refused to participate in such a regime or that have engaged in conduct that violates or undermines the regime.

(f) EXISTING AGREEMENTS.—Subsections (b) and (d) do not apply with respect to transfers of defense articles or defense services pursuant to agreements entered into before May 21, 1991.

Mr. FASCELL. Mr. Chairman, as I have previously stated, H.R. 2508 represents the second serious attempt by the House of Representatives to rewrite the basic authorities and policy guidelines of both the Foreign Assistance Act of 1961 and the Arms Export Control Act of 1968. Our first attempt in this endeavor occurred during the 101st Congress where H.R. 2655, secured solid bipartisan in support of its passage by a vote of 314 to 101.

That bill, H.R. 2655, eliminated extraneous and obsolete provisions of existing law, while at the same time streamlining other aspects of existing law so as to increase both the efficiency and success of both the U.S. economic and security assistance programs, thereby stretching valuable but limited funding in the 150 account. At the same time, that bill maintained and enhanced congressional oversight of those programs through the preservation of existing provisions in present law, and the addition of new provisions that were aimed at strengthening not only policy but the law.

We are now at the point of our debate where we begin discussion of title II which governs the conduct and provision of U.S. security assistance, and which includes many of the provisions that were contained in H.R. 2655, as well as certain provisions requested by the administration, and the private sector, and new initiatives that were undertaken by the Committee on Foreign Affairs.

Specifically, title II establishes: the policy guidelines for U.S. military assistance programs; the structure of the U.S. Foreign Military Financing Program; the guidelines for the provisions of U.S. excess defense articles; the size and administration of U.S. military advisory groups; the continuation of the International Military Education and Training Program; the provision of U.S. contributions and participation in peacekeeping operations; U.S. policies on the stockpiling of defense articles in foreign countries; U.S. policies and programs to combat international terrorism; the policies of the U.S. Foreign Military Sales Program; and a new initiative for the implementation of a U.S. policy of restraint on arms sales and transfers to the nations of the Middle East and Persian Gulf region.

It is this last provision, that I intend to focus my remarks.

At the outset, let me say that this provision represents a basic consensus of opinion among the members of the Committee on Foreign Affairs in our effort to develop a realistic arms transfer restraint policy toward the Middle East and the Persian Gulf regions. One of the many lessons of Operations Desert Shield and Desert Storm must be that the business as usual approach of the 1980's toward arms sales and transfers to the Middle East and the Persian Gulf must not be repeated in the 1990's.

In this regard, this provision addresses not only the issue of United States, but global arms transfers to the Middle East and Persian Gulf region. This provision recommends an indefinite moratorium on U.S. sales and transfers of major defense equipment to accelerate the development of a multilateral arms transfer and control regime on major military equipment to nations in the Middle East and the Persian Gulf.

Clearly, no more pressing issue in international affairs exists than that of the current situation in the Middle East and the Persian Gulf. In this regard, we in Congress are often told by officials within the executive to merely follow the lead of the White House when it comes to the conduct of U.S. foreign affairs and U.S. foreign policy. We are told and informed to disregard our own roles and responsibilities as policymakers, and instead into accepting the so-called unerring judgment of the Executive when it comes to foreign policy and arms control in the Middle East and the Persian Gulf. We have been informed that the President's May 29 announcement is the best approach toward winning the peace, and securing greater arms control in the Middle East and the Persian Gulf. Therefore, Congress should go along in lockstep with the President's unerring judgment.

Winning the peace and stimulating a climate for greater arms control requires more patience, more resilience, more perseverance, and more creativity. Those traits—patience, resilience, perseverance, and creativity—are the long suits in the Congress.

It is the Congress that has the patience to explore problems thoroughly and attack them correctly. It is the Congress that has the resilience to keep trying to solve the problems that confront our domestic and international agendas. It is the Congress that has the perseverance to see a problem through to its thoughtful solution. It is the Congress that has been creative in proposing various arms and control concepts that have become arms control realities.

Thus the invitation to struggle that lies at the root of the Constitution between the congressional and the executive branches of government bring us to our differences of opinion on how to improve the climate for greater security, stability, peace, and prosperity in the Middle East and the Persian Gulf. While both the Congress and the executive branches share these goals, we have different approaches toward achieving them. We want a policy that says arms restraint now versus the business of arms sales as usual.

As a Democrat, and in a vote of individual conscience, I supported the President in his request to authorize the use of force in the Persian Gulf. I am grateful that that arduous task—the use of force—is now behind us, and I am grateful that this decision was made consistent with the provisions of the War Powers Resolution. I am, however, equally mindful that much more needs to be done in order to seize this moment in history and bring greater security, stability, peace and prosperity to all peoples in the Middle East and Persian Gulf regions.

To that end, I am encouraged by the President's commitment in sending Secretary of State Baker on his several peace missions to the Middle East. They have been steps in the right direction. I am also encouraged by the President's May 29 announcement in which he specified a series of proposals intended to curb the spread of nuclear, chemical and biological weapons in the Middle East and Persian Gulf, as well as the missiles that can deliver them. That too has been a step in the right direction.

The trouble with the President's steps, however well intentioned as they may be, is that they go in the right direction of stopping nuclear, biological, chemical, and missile proliferation but don't make a meaningful move toward slowing, curbing, and halting the proliferation of conventional weapons in a region of the world that has been in, on, or at the precipice of war for the last 43 years. Thus, the President is being creative in taking the initiative against the proliferation of unconventional weapons, but is business as usual regarding the proliferation of conventional weapons.

The Committee on Foreign Affairs has forged a consensus that stipulates that it is high time to stop the business as usual approach to solving the problem of peace in the Middle East and the Persian Gulf regions. We have decided that the business as usual approach in selling arms to everyone serves no ones interests. That is why the Foreign Affairs Committee policy recommendation clearly states that future conventional arms transfers to the Middle East and the Persian Gulf should be controlled by a multilateral restraint policy.

We have proposed something that is both simple and straightforward. We have proposed that just as the United States led a global military coalition against Iraq, that we lead a global arms suppliers coalition in not just selling everything we can, to anyone in the Middle East and the Persian Gulf just because they believe they just have to have it. We saw the results of that kind of global policy with Iraq. We in Congress are asking the President to join us in supporting this effort, just as he asked that we join him in supporting the authorization to use force against Iraq.

We are going one step further than the President went on May 29, and we are challenging others to follow. We're proposing to jump start the process of arms control in the Middle East and the Persian Gulf. At the same time, the committee proposal is realistic in that it allows the President the necessary authority to provide for the replacement of major military equipment, with equipment of comparable capability, on a one-for-one basis after such equipment becomes inoperable. The committee proposal also extends that same flexiblity to other major arms suppliers.

The committee proposal also provides the President with the flexibility to lift the moratorium at anytime after which the President has reported to Congress the following three items: First, that a major arms supplier nation has reached an agreement to transfer major military equipment to a nation in the Middle East or the Persian Gulf; second, the submission of a U.S. plan for leading the world community in establishing a multilateral arms transfer and control regime of both conventional and unconventional weapons to nations in the Middle East and the Persian Gulf region; and third, a report on the feasibility of implementing such a regime. In short, our position is based on the proven arms control and security principle that "we won't sell if you don't sell."

Finally, the committee proposal commits the United States to multilateral negotiations among the five permanent members of the U.N. Security Council and other principal suppliers in an effort to establish a multilateral arms transfer and control regime toward nations in the Middle East and the Persian Gulf regions.

While some executive branch may argue that the committee is tinkering at the edges of Presidential prerogative, and that current law is sufficient to bring arms control and peace to the Middle East and the Persian Gulf, the committee would respond that Congress does have the responsibility to help set policy guidelines and pass laws, and to seek the President's support from them. The committee proposal recognizes that arms transfers are an important tool and element of our foreign policy apparatus, but the committee proposal also states that we intend to set higher and more rigorous standards on U.S. transfers to the Middle East and the Persian Gulf.

We all know that congressional commitment and dedication to the cause of arms control is oftentimes ahead of the curve. This congressional commitment and dedication oftentimes brings a reluctant executive branch along to the point where it is willing to explore congressionally mandated arms control ideas. Nevertheless, we know that this process takes time.

It was the Congress that was and remains wary of the potential of an arms race in space that would be caused by U.S. testing of antisatellite weapons [Asat's]. To this end, it was Congress that mandated a suspension of the U.S. testing program—a unilateral moratorium if you will—that has resulted in a mutual, United States-Soviet commitment to refrain from such testing. As a result, we have avoided a costly and destabilizing arms race in space.

It was Congress that set the tone on present improvement of the status of the United States-Soviet posture on nuclear testing. It was the Congress that passed an amendment in the Senate, and a joint resolution in the House that called upon the President to submit the Threshold Test Ban [TTB] and Peaceful Nuclear Explosions [PNE] Treaties to the Senate for ratification, as well as to call upon the President to seek negotiations on the conclusions of a Comprehensive Test Ban Treaty [CTBT]. This effort was opposed by many in the executive branch but the fact remains today that the TTB and PNE Treaties have been ratified, and that the United States and the Soviet Union are exploring a step-by-step process toward a CTB, including a partial test ban amendment conference that took place in January of this year.

Finally, it was the Congress that opposed United States production of binary chemical munitions and urged the complete destruction of all United States and Soviet chemical munition stockpiles. Those initiatives were also questioned by many in the executive, including the President himself, when as Vice President on two occasions he cast his vote in order to break a tie in the Senate vote to allow binary production. Nevertheless, it was and is the President—in action recently taken—who has exerted great leadership and statesmanship in taking unilateral steps which have resulted in bilateral agreement to destroy all United States and Soviet chemical weapons. Today, the unilateral challenge that became a bilateral agreement enjoys the support of 19 countries which have joined the United States in this unilateral challenge. As this process is working for chemical arms control, it can also work for conventional arms control. So, we dare to challenge to do more for the cause of security, stability, peace, and prosperity for the peoples of the Middle East and Persian Gulf.

Our committee's proposal is intended to bring greater U.S. reason, vision, and leadership through congressional dedication and commitment to furthering the cause of arms control in the Middle East and the Persian Gulf. This jump start approach—this challenge to ourselves and others—is yet another example of our taking a major step in the right direction. It is a step in which we hope others will follow. It is a bold step that hopefully will lead to the furtherance of the peace process in one of the most, if not the most, troubling areas of the world.

It is a congressional response that certifies the necessity of continued U.S. leadership in seeking to bring about peace in the Middle East and the Persian Gulf in the years ahead. It is a congressional response to a daunting problem, that if given the chance, might work—to avoid another war in the Middle East.

It is the most lasting contribution to sustaining the victory celebration that some 1 million Americans expressed this past weekend in our Nation's Capital.

Finally, and in connection with the committee's proposed policy of the restraint on the United States transfer of major defense equipment to the Middle East and Persian Gulf region, the committee yesterday received formal notification of the President's decision to fulfill a request from the Government of the United Arab Emirates for the purchase of major defense equipment. Specifically, this notification informs us of the UAE's desire to purchase 20 AH–64 Apache attack helicopters and associated equipment including Hellfire missile and Hydra-70 rocket systems. This notification does not further the committee's proposed recommendation in support of a policy of restraint on the sale and transfer of major defense equipment to the Middle East and Persian Gulf region. For that reason, I am joined today by my colleagues on the committee: Mr. HAMILTON, Mr. BERMAN, Mr. GEJDENSON, Mr.

LANTOS, Mr. LEVINE, Mr. WEISS, Mr. LAFALCE, Mr. GEPHARDT, Mr. GILMAN, Mr. OBEY, and Mr. MILLER of Washington in introducing a resolution of disapproval in opposition to this proposed sale.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Is the amendment printed in the RECORD?

Mr. HYDE. It is, Mr. Chairman.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE: Page 215, line 23, strike out "shall" and insert in lieu thereof "should".

Page, 217, beginning in line 23, strike out "on or after May 21, 1991," and insert in lieu thereof "after the date of enactment of this Act".

Page 221, line 19, strike out "May 21, 1991" and insert in lieu thereof "the date of enactment of this Act".

Mr. HYDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Chairman, there are two problems with the section that this amendment is designed to correct. The first one has to do with the word "shall." It says the President "shall seek negotiations among and undertake good faith efforts to convene a conference of five permanent members of the United Nations Security Council and other nations as appropriate," et cetera.

My concern is that under the Constitution and under the doctrine of separation of powers, we really cannot tell the President that he shall seek negotiations. The President has the executive power untrammeled by any restrictions under the Constitution. The Supreme Court has affirmed the primacy of the President in the area of foreign affairs. It just seems to me that we should say "should" rather than "shall" to eliminate any constitutional infirmity.

Mr. Chairman, I have an amendment to section 242 of the bill. This section seeks to reduce arms proliferation in the Middle East by limiting U.S. arms transfers to the region and inducing other arms supplier nations to exercise similar restraint.

I commend the effort to limit arms transfers to this volatile region of the world. Upon reviewing the legislative language, however, I have determined that the proposed mechanism for achieving this objective is flawed as a matter of constitutional law. It is also fiscally ill-advised.

This amendment is an endorsement of the policy of this bill to reduce arms proliferation in the region—but is an effort to correct constitutional and other infirmities.

COMMANDING THE PRESIDENT TO NEGOTIATE

The first problem with the bill occurs in subsection (c). In pertinent part, this subsection states:

[a]s soon as practicable after the date of enactment of this Act, the President *shall* seek negotiations among, and undertake good faith efforts to convene a conference of, the five permanent members of the United Nations Security Council and other nations as appropriate. * * * to establish a comprehensive multilateral arms transfer and control regime with respect to the Middle East. * * *" (Emphasis added.)

As currently written, this language is unconstitutional. Numerous Supreme Court cases, beginning with the Court's 1936 decision in Curtiss-Wright Export Corp. versus United States, have affirmed the primacy of the President in the area of foreign affairs. These judicial precedents make it clear that the President is the chief agent of the United States in its relations with other countries. Neither article I, section 8—which enumerates Congress' constitutional powers—nor any other provision of the Constitution vests in Congress the power to command the President to enter into negotiations, or to establish the content of international agreements which might be negotiated.

The obvious remedy to this problem is to change the word "shall" on line 23 of page 215 to "should." This adjustment would preserve the expression of congressional intent regarding the need for multilateral negotiations, while eliminating the constitutional infirmity caused by the existing legislative edict to the President. It would also make subsection (c) consistent with the policy statement on multilateral arms control negotiations on page 106 of the bill, which urges the President, rather than ordering him, to negotiate multilateral arms transfer controls.

PREEMPTING U.S. ARMS TRANSFERS PRIOR TO ENACTMENT

The second constitutional problem concerns the legislation's intended effect on the President's ability to conduct U.S. foreign policy before the legislation becomes law. Under subsection (f), which appears on page 221 of the bill, U.S. transfers of defense articles or defense services to the Middle East would be permitted only if such transfers were pursuant to an agreement entered into before May 21, 1991. Transfers pursuant to an agreement entered into on or after May 21 would be prohibited, despite the fact that this legislation could not be signed into law until long after that date.

This provision is inconsistent with the principles of separation of powers expressed by the Supreme Court in the case of Immigration and Naturalization Service versus Chadha, in which the Court struck down the legislative veto. In Chadha, the Court stated that—

To take action that had the purpose and effect of altering the legal rights, duties, and relations of persons * * * outside the legislative branch. * * * [Congress must act] in conformity with the express procedures of the Constitution's prescription for legislative action: passage by a majority of both Houses and presentment to the President.[1]

[1] 462 U.S. 919, 952, 958 (1983).

The provision in question attempts to circumvent this fundamental constitutional rule by establishing an effective date for permissible arms transfers which is prior to the date of enactment. This plainly violates the spirit, if not the letter, of Chadha.

The solution to this problem is simply to amend section 242 to permit arms transfers pursuant to agreements lawfully entered into prior to the enactment of this legislation.

The proponents of this legislation assert that Congress' establishment of a retroactive effective date governing arms transfers is permissible because such retroactivity is an accepted feature of U.S. tax laws. This argument simply is inapplicable in the present context.

A review of the case law suggests that retroactive effective dates are unique to economic legislation such as the tax laws, where Congress is accorded strong deference and the standard of judicial review is extremely low. But we are not dealing here with economic legislation—we are dealing with the conduct of U.S. foreign policy—and in this arena, the executive branch has primacy.

CONTRACTUAL LIABILITY OF THE U.S. GOVERNMENT

In addition to these constitutional problems, the retroactivity provision in question could expose the U.S. Government to financial liability if this legislation were enacted. If the Department of Defense, for example, were unable to implement arms transfer agreements lawfully entered into between May 21, 1991, and the date of enactment, it might have to suspend procurement contracts with defense contractors that had been performing work pursuant to those agreements. In that event, the U.S. Government would be responsible for any costs or damages incurred by the defense contractor resulting from the suspension of the procurement contract.

Similarly, American corporations which contract to provide defense articles or services to foreign buyers could be liable for breach of contract if they undertook a contractual obligation after May 21 to supply such articles or services. At best this raises fundamental questions of fairness; at worst, it raises due process issues.

CONCLUSION

In conclusion, Mr. Chairman, I want to reiterate that I strongly endorse the goal of arms control in the Middle East. But we should seek to achieve this goal without trampling on the separation of powers principles of the Constitution or causing the U.S. Government and American defense contractors to risk financial liability.

Now, I have had a discussion with the chairman of the committee, and we have reached an accommodation. I would like to ask the chairman of the committee, the gentleman from Florida [Mr. FASCELL] that if I should withdraw this amendment when this matter and if this matter reaches conference, if the gentleman would bear in mind my concerns about the mandatory nature of telling the President that he shall seek negotiations and seek some way of expressing the ideas that the gentleman has in a less intrusive way insofar as the President's constitutional prerogatives, the prerogatives of his office are concerned?

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

Mr. HYDE. I am happy to yield to the gentleman from Florida.

□ 1750

Mr. FASCELL. I cannot speak for all Members, but the gentleman is very persuasive. He has raised this point not just now but many times, and the Presidential prerogatives need to be preserved. There is no question about that. We are not looking for a constitutional confrontation.

Our job here is to preserve the prerogatives of the President and the Congress, and we will work with the gentleman to try to provide a less intrusive manner in dealing with this subject.

Mr. HYDE. I thank the gentleman. I appreciate that, Mr. Chairman, because Presidents rightfully are very jealous of the prerogatives of their office, and they like to hand the office to their successor unimpaired by congressional transgressions. So I appreciate that.

The second problem that I have with the legislation, and that my amendment is directed to correct, has to do with the intended effect on the President's ability to conduct U.S. foreign policy before the legislation becomes law. Under subsection (F), which appears on page 221 of the bill, United States transfers of defense articles or defense services to the Middle East would be permitted only if the transfers were pursuant to an agreement entered into before May 21, 1991. Transfers pursuant to an agreement entered into on or after May 21 would be prohibited despite the fact that this legislation could not be signed into law until long after that date.

We have now had a further discussion, and the chairman has offered in conference to change the date that we are speaking of here to the date of enactment, which I think would cure the infirmity we speak of, and that the gentleman will confirm that is his commitment, and then I would ask unanimous consent to withdraw my amendment.

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

Mr. HYDE. Mr. Chairman, I am happy to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I will say to the gentleman that while I would not want to prejudge the conference, because I cannot do that, that as far as I am concerned, we had no intention by picking a date to arbitrarily impact on existing contracts or agreements or even arrangements, for that matter, because we do not go into the issue of whether the matter is a written or a verbal matter. Nevertheless, I think that a reasonable date, either the date of enactment or some other date, depending on how the discussion goes, I see right now no objection to the date of enactment, but it might arise in the course of the conference. Why do we not just say we mutually agree that the date in here is not one that we will be hidebound—I am sorry; that was not a pun. Sorry.

Mr. HYDE. The gentleman is too facile with those words.

Mr. FASCELL. And we will either work toward the date of enactment or some other date that is satisfactory that does not impinge on ongoing arrangements, and I will say with respect to the previous colloquy we had, the Constitution, under articles I and II, we want to preserve those prerogatives. We have no intention of trying to invade those at all.

We will work with the gentleman and try to do both of these objectives.

Mr. HYDE. Mr. Chairman, I am very pleased with the chairman's remarks.

Mr. BERMAN. Mr. Chairman, will the gentleman yield.

Mr. HYDE. I am happy to yield to the learned gentleman from California.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The time of the gentleman from Illinois [Mr. HYDE] has expired.

(At the request of Mr. BERMAN and by unanimous consent, Mr. HYDE was allowed to proceed for 1 additional minute.)

Mr. BERMAN. Mr. Chairman, the only thing I would say is that while I think there is logic to what the gentleman is suggesting, and I think that is probably just what would happen with respect to a cutoff date on existing contracts, I am sure the gentleman would not want to do anything that would provide an inducement for companies or governments to rush to reach agreements in the notion that they might escape the implications and the whole focus of this particular language.

Mr. HYDE. Absolutely not. The gentleman has correctly stated my views.

Let me thank the chairman for his accommodation.

Mr. Chairman, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN pro tempore. Are there other amendments to title II?

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: On page 127 Sec. 2207. Authorizations of Appropriations, line 1, strike "$4,411,444,000" and replace with "$4,386,444,000".

On line 2 strike "$4,840,000,000" and replace with "$4,815,000,000".

Mr. VOLKMER. Mr. Chairman and members of the committee, this amendment is very simple. It merely strikes $25 million from the military assistance provisions of the bill, and the reason it is only $25 million is that later on when we get to title VIII, I plan, and I have an amendment in order, and there are other amendments offered by other Members who have the same amendment that would strike the money basically for Jordan.

If we are going to strike the money, then this is the money. All I am asking is to reduce the amount of military assistance by $25 million in order that we provide no funds to the country of Jordan.

I believe the United States owes no commitment whatsoever to the country of Jordan, given their blatant actions during the United States' conflict with Iraq commonly known as Desert Storm.

I am disappointed the committee saw fit to include $25 million in finance authority for military procurement for the country of Jordan given their hostile attitude toward us and our allies. Do we not all remember the thousands of people of Jordan in the streets praising Saddam Hussein, burning the United States flag? Do we not remember King Hussein threatening Israel if they used Jordan's airspace to retaliate against Iraq for shooting Scuds into residential communities?

Providing Jordan with any support, in my opinion, is like offering Saddam Hussein money to rebuild his Republican Guard. It is a smack in the face of those who put their lives on the line to free Kuwait and a smack in the face of the American people who watched the Jordanians' obvious support for our enemy.

We have supported Jordan, and in the past we have welcomed King Hussein to our country. It is obvious this past support and friendliness carried no weight when we needed their support.

Not only did they turn the other way when their neighbors and fellow Arabs were being threatened and killed by Saddam and his henchmen, they praised his actions. Even Iran did not go that far. Even Syria sided against Saddam.

Are we expected to support other enemies like Libya and Cuba? They showed no more support for Saddam than did Jordan.

I ask my colleagues to join me today to send a clear message to Jordan: No military assistance.

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

Mr. VOLKMER. I am happy to yield to the gentleman from Indiana.

Mr. HAMILTON. If I understand the gentleman's amendment, he is simply making here a cut in the funding?

Mr. VOLKMER. The gentleman is correct. Total.

Mr. HAMILTON. The gentleman is not identifying any particular country at this point?

Mr. VOLKMER. That is correct.

Mr. HAMILTON. It is the gentleman's intention when we get to title

VIII that he will offer a specific amendment to cut Jordan?

Mr. VOLKMER. That is correct. No funds for Jordan.

Mr. HAMILTON. Of course, this gentleman will oppose the cut for Jordan, but I think we are prepared to accept this amendment without prejudice to Jordan, and that when we get to title VIII, then we will have that discussion and a voice.

Mr. VOLKMER. I appreciate that.

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

Mr. VOLKMER. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. If that is acceptable to the gentleman and to the chairman, the only thing I would add is this, that depending on the outcome of the gentleman's amendment in title VIII, we would then have to restore this money.

Mr. VOLKMER. You have always got confidence. I will put it this way, Mr. Chairman: I will make it easier for the gentleman. I would agree, and I do not know whether other Members do, but if we get to title VIII and the money for Jordan, if I lose on the amendment, or our people believe that I do lose on it, if the gentleman wants to ask unanimous consent to have the money restored, I will be glad to do it.

Mr. FASCELL. Mr. Chairman, I will ask unanimous consent that in the event that we get to title VIII and the gentleman's amendment is defeated, it would be in order to offer an amendment to restore the money.

Mr. VOLKMER. Mr. Chairman, because there are others who have proffered the amendment also on Jordan, if any amendment that restricts any military assistance to Jordan is defeated, then the $25 million goes back.

Mr. FASCELL. The gentleman is a scholar and a real gentleman. I thank the gentleman.

Mr. Chairman, I make that unanimous-consent request.

The CHAIRMAN pro tempore. Would the gentleman restate for the Chair his request?

Mr. FASCELL. The unanimous-consent request, Mr. Chairman, is that the pending amendment here will be accepted without prejudice to Jordan. On its acceptance, the unanimous-consent request is that when we get to title VIII, if there is no amendment in title VIII restricting aid to Jordan, then it would be in order to offer an amendment to restore this money.

□ 1800

Mr. BURTON of Indiana. Mr. Chairman, reserving the right to object, I just came in the door. I do have an amendment relating to Jordan in title VIII. What I want to do is make it very clear that I understand what the gentleman is trying to do.

Would the gentleman restate it for my benefit?

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

Mr. BURTON of Indiana. I am happy to yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I offered an amendment pending, striking $25 million from the total authorization for military assistance with the idea that later on when we get to title VIII there will be an amendment that the gentleman from Indiana, I, and others have offered on Jordan, to strike the money on Jordan.

This is the $25 million that would go to Jordan. The gentleman from Florida, the chairman of the committee is now saying, and I have agreed to it, that if we lose on our amendment on Jordan, and under the bill Jordan is still eligible for military assistance, he would be entitled to restore that $25 million at that time.

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

Mr. BURTON of Indiana. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, it would be in order to offer an amendment at that time. I am not saying that I will offer an amendment.

Mr. BURTON of Indiana. Mr. Chairman, I understand and I withdraw my reservation of objection.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). Without objection, the unanimous-consent request is agreed to.

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The amendment was agreed to.

Mr. RAHALL. Mr. Chairman, I am opposed to the provisions in title II, chapter 3 of the foreign aid bill. It continues to rob the American taxpayer of their right to get back something on their national security investment. It denies them access to defense equipment that the Department has said it no longer needs.

The bill is constructed so as to continue to deny States access to Department of Defense heavy construction machinery that the Defense Department no longer needs and the States are begging for. Where does it go? It goes to foreign governments, not back to the States for America's use.

I have had a bill pending here for 2 years trying to get this excess property for our States. They desperately need it.

It is not only being given away to foreign countries, it is shipped to them totally free of charge. They don't have to pay to acquire it, they don't have to pay to repair it, and they don't have to pay to transport it from anywhere in the world.

I had GAO investigate and report to me on how many countries are receiving this equipment and at what cost. The GAO reported that 39 foreign countries are receiving heavy equipment, and GAO also found that the equipment donated was worth $48 million, paid for by American taxpayers. But that wasn't the worst part. The worst part was that GAO also discovered that our Government spent another $46 million to give it away.

That's a total of $94 million—all for the same equipment—and our State citizens, our District residents, did not get a dime of this—not a dime.

Let me emphasize, Mr. Chairman, that American taxpayers paid for this heavy equipment twice, once when it was bought and again when it was given away, for a total of $94 million for equipment valued at $48 million.

Do you know what States get, Mr. Chairman? They get scrap and junk. And they pay for its repair, and they pay for its transportation, or they don't get it. Period.

I had an amendment to this bill that would have repealed the authorized appropriations for this double giveaway. If Members want to continue to send America's property to every country but the U.S.A., that is one issue. But do we have to pay to put it in mint condition, and ship it to them in velvet crates with overnight delivery?

But I was advised, just like my friend GENE TAYLOR, that my amendment would be ruled out of order—that a point of order would be raised, and I'd lose.

This bill amends underlying law that provides what little assistance the States now get in surplus property. To have an amendment to that same underlying law ruled out of order makes no sense to me.

I hope the American people are listening and listening well. This bill is a $25 billion bill—and to boot it would further deprive States of the little they are getting now in property they've paid for twice, and property they desperately need. They will get not one dime from this bill.

The CHAIRMAN pro tempore. Are there additional amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 301. CONSOLIDATION AND REVISION OF AUTHORITIES.

The Foreign Assistance Act of 1961 is amended by inserting after title II, as added by title II of this Act, the following:

"TITLE III—TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION

"CHAPTER 1—TRADE AND DEVELOPMENT AGENCY

"SEC. 3101. PURPOSE.

"The Trade and Development Agency shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Trade and Development Agency is to promote United States private sector participation in development projects in friendly developing and middle-income countries, in order to promote the four basic objectives set forth in section 1102.

"SEC. 3102. AUTHORITY TO PROVIDE ASSISTANCE.

"(a) AUTHORITY.—The Director of the Trade and Development Agency is authorized to work with friendly countries, including those in which the United States development programs have been concluded or those not receiving assistance under title I or chapter 1 of title V of this Act, to carry out

the purpose of this chapter by providing funds for feasibility studies, engineering design, and other activities related to development projects which provide opportunities for the use of United States exports.

"(b) USE OF FUNDS.—Funds under this chapter may be used to provide support for feasibility studies for the planning of, development of, management of, and procurement for, bilateral and multilateral development projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States goods and services in such projects. Funds under this chapter may also be used for engineering design, including—

"(1) concept design, which establishes the basic technical and operational criteria for a project, such as architectural drawings for a proposed facility, evaluation of site constraints, procurement requirements, and equipment specifications; and

"(2) detail design, which sets forth specific dimensions and criteria for structural, mechanical, electrical, and architectural operations, and identifies other resources required for project operations.

"(c) INFORMATION DISSEMINATION.—

"(1) IN GENERAL.—The Trade and Development Agency shall disseminate information about its project activities to the private sector.

"(2) OFFICE OF INTERNATIONAL MAJOR PROJECTS OF THE DEPARTMENT OF COMMERCE.—The Trade and Development Agency shall cooperate with the Office of International Major Projects of the Department of Commerce in order to provide information to persons in the private sector concerning trade development and export promotion related to multilateral development projects.

"(4) OTHER AGENCIES.—Other Federal departments and agencies shall cooperate with the Trade and Development Agency in order for the Agency to more effectively provide informational services in accordance with this subsection.

"(d) NONAPPLICABILITY OF OTHER PROVISIONS.—Any funds used for purposes of this chapter may be used notwithstanding any other provision of law.

"SEC. 3103. DIRECTOR AND PERSONNEL.

"(a) DIRECTOR.—The Director of the Trade and Development Agency shall be the head of the agency. The Director shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) OFFICERS AND EMPLOYEES.—

"(1) APPOINTMENT.—The Director may appoint such officers and employees as the Director considers appropriate.

"(2) FUNCTIONS.—The officers and employees appointed under this subsection shall have such functions as the Director may determine.

"(3) APPOINTMENTS WITHOUT REGARD TO CERTAIN CIVIL SERVICE LAWS.—Of the officers and employees appointed under this subsection, 4 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

"(4) REINSTATEMENT RIGHTS.—Under such regulations as the President may prescribe, any individual appointed under paragraph (3) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

"SEC. 3104. ANNUAL REPORT.

"The Director of the Trade and Development Agency shall, not later than December 31 of each year, submit to the appropriate congressional committees a report on the activities of the Trade and Development Agency in the preceding fiscal year.

"SEC. 3105. ADVISORY BOARD.

"(a) ESTABLISHMENT.—The Director of the Trade and Development Agency shall, by regulation, establish an advisory board which shall include representatives of the private sector.

"(b) PURPOSE.—The purpose of the advisory board shall be to make recommendations to the Director with respect to the Trade and Development Agency.

"SEC. 3106. INSPECTOR GENERAL.

"(a) AUTHORITY.—The Inspector General of the Agency for International Development—

"(1) shall have full and independent authority to conduct audits, investigations, and inspections of all phases of the program and operations of the Trade and Development Agency for the purpose of promoting economy, efficiency, and effectiveness, and detecting and preventing fraud and abuse; and

"(2) shall conduct all security activities of the Trade and Development Agency relating to personnel and the control of classified material.

"(b) RELATION TO DIRECTOR OF THE TRADE AND DEVELOPMENT AGENCY.—The Inspector General shall report to and be under the general supervision of the Director of the Trade and Development Agency with respect to activities undertaken pursuant to this section, except that the Director shall not prevent or prohibit the Inspector General from initiating, carrying out, or completing any such activity in accordance with the duties, authorities, and responsibilities contained in the Inspector General Act of 1978, and any other applicable laws and regulations.

"(c) INSPECTOR GENERAL ACT.—For purposes of the Inspector General Act of 1978, the Trade and Development Agency shall be considered to be a Federal entity and the Director of the Trade and Development Agency shall be considered the head of the Federal entity.

"(d) SEMIANNUAL REPORT.—The semiannual report required under section 5 of the Inspector General Act of 1978 shall include information relating to activities of the Inspector General undertaken pursuant to this section.

"SEC. 3107. FUNDING.

"There are authorized to be appropriated for purposes of this chapter, in addition to funds otherwise available for such purposes, $55,700,000 for fiscal year 1992 and $70,000,000 for fiscal year 1993.

"CHAPTER 2—OVERSEAS PRIVATE INVESTMENT CORPORATION

"SEC. 3201. PURPOSE AND POLICY.

"(a) PURPOSE.—The Overseas Private Investment Corporation shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Corporation is to mobilize and facilitate the participation of United States private capital and skills in the economic and social development of less developed friendly countries and areas, thereby complementing the development assistance objectives of the United States.

"(b) DEVELOPMENT AND PER CAPITA INCOME CRITERIA.—The Corporation, in determining whether to provide insurance, reinsurance, guarantees, or financing for a project, shall especially—

"(1) be guided by the economic and social development impact and benefits of such a project and the ways in which such a project complements, or is compatible with, other development assistance programs or projects of the United States or other donors; and

"(2) give preferential consideration to investment projects in less developed countries that have per capita incomes of $1,091 or less in 1989 United States dollars, and restrict its activities with respect to investment projects in less developed countries that have per capita incomes of $4,734 or more in 1989 United States dollars (other than countries designated as beneficiary countries under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702) and eligible East European countries (within the meaning of the Support for East European Democracy (SEED) Act of 1989).

"(c) GUIDELINES FOR ACTIVITIES OF OPIC.—In carrying out its purpose, the Corporation, utilizing broad criteria, shall undertake—

"(1) to conduct insurance, reinsurance, guarantee, and financing operations on a self-sustaining basis, taking into account in its guarantee and financing operations the economic and financial soundness of projects;

"(2) to utilize private credit and investment institutions and the Corporation's guarantee authority as the principal means of mobilizing capital investment funds;

"(3) to broaden private participation and revolve its funds through selling its direct investments to private investors whenever it can appropriately do so on satisfactory terms;

"(4) to conduct its insurance operations with due regard to principles of risk management, including efforts to share its insurance risks and reinsurance risks;

"(5) to consider in the conduct of its operations the extent to which the governments of less developed countries are receptive to private enterprise, domestic and foreign, and their willingness and ability to maintain conditions which enable private enterprise to make its full contribution to the development process;

"(6) to foster private initiative and competition and discourage monopolistic practices;

"(7) to further to the greatest degree possible, in a manner consistent with its goals, the balance-of-payments and employment objectives of the United States;

"(8) to conduct its activities in consonance with the activities of the administering agency for title I and the international trade, investment, and financial policies of the United States Government, and to seek to support those developmental projects having positive trade benefits for the United States; and

"(9) to advise and assist, within its field of competence, interested agencies of the United States and other organizations, both public and private, national and international, with respect to projects and programs relating to the development of private enterprise in less developed countries and areas.

"SEC. 3202. STOCK OF THE CORPORATION; ORGANIZATION AND MANAGEMENT.

"(a) STOCK.—The Secretary of the Treasury shall hold the capital stock of the Corporation.

"(b) STRUCTURE OF THE CORPORATION.—The Corporation shall have a Board of Directors, a President, an Executive Vice President, and such other officers and staff as the Board of Directors may determine.

"(c) BOARD OF DIRECTORS.—

"(1) IN GENERAL.—All powers of the Corporation shall vest in and be exercised by or under the authority of its Board of Directors

(hereinafter in this chapter referred to as 'the Board') which shall consist of 15 Directors (including the Chair, Vice Chair, and the President of the Corporation), with 8 Directors constituting a quorum for the transaction of business.

"(2) COMPOSITION OF THE BOARD.—

"(A) CHAIR.—The Chair of the Board shall be the Administrator, ex officio.

"(B) VICE CHAIR.—The Vice Chair of the Board shall be the United States Trade Representative, ex officio, or, if so designated by the United States Trade Representative, the Deputy United States Trade Representative.

"(C) PRESIDENT OF THE CORPORATION.—The President of the Corporation shall serve as a Director, ex officio.

"(D) PUBLIC SECTOR DIRECTORS.—(i) In addition to the directors provided for in subparagraphs (A), (B), and (C), four Directors who are officers or employees of the Government of the United States, including an officer or employee of the Department of Labor, shall be designated by and shall serve at the pleasure of the President of the United States.

"(ii) The Directors designated under this subparagraph shall receive no additional compensation by virtue of their service as such a Director.

"(E) PRIVATE SECTOR DIRECTORS.—(i) Eight Directors who are not officers or employees of the Government of the United States shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

Of these, at least—

"(I) two shall be experienced in small business,

"(II) one shall be experienced in organized labor, and

"(III) one shall be experienced in cooperatives.

"(ii) Each Director appointed under this subparagraph shall be appointed for a term of not more than 3 years. The terms of not more than 3 such Directors shall expire in any 1 year. Such Directors shall serve until their successors are appointed and qualified and may be reappointed to subsequent terms.

"(iii) Each Director appointed under this subparagraph shall be compensated at the daily equivalent of the annual rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such Director is actually engaged in the business of the Corporation, and may be paid travel or transportation expenses to the extent authorized for employees serving intermittently in the Government service under section 5703 of title 5, United States Code. Any such Director may waive any such compensation.

"(d) APPOINTMENT OF THE PRESIDENT.—The President of the Corporation shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. In making such appointment, the President shall take into account the private business experience of the appointee. The President of the Corporation shall be its Chief Executive Officer and shall be responsible for the operations and management of the Corporation, subject to bylaws and policies established by the Board.

"(e) OFFICERS AND STAFF.—

"(1) EXECUTIVE VICE PRESIDENT.—The Executive Vice President of the Corporation shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President.

"(2) OTHER OFFICERS AND STAFF.—(A) The Corporation may appoint such other officers and such employees (including attorneys) and agents as the Corporation considers appropriate.

"(B) The officers, employees, and agents appointed under this subsection shall have such functions as the Corporation may determine.

"(C) Of the officers, employees, and agents appointed under this paragraph, 20 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

"(D) Under such regulations as the President may prescribe, any individual appointed under subparagraph (C) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

"SEC. 3203. INVESTMENT INSURANCE, GUARANTEES, FINANCING, AND OTHER PROGRAMS.

"(a) INVESTMENT INSURANCE.—

"(1) RISKS FOR WHICH INSURANCE ISSUED.—The Corporation is authorized to issue insurance, upon such terms and conditions as the Corporation may determine, to eligible investors assuring protection in whole or in part against any or all of the following risks with respect to projects which the Corporation has approved:

"(A) Inability to convert into United States dollars other currencies, or credits in such currencies, received as earnings or profits from the approved project, as repayment or return of the investment in the project, in whole or in part, or as compensation for the sale or disposition of all or any part of the investment.

"(B) Loss of investment, in whole or in part, in the approved project due to expropriation or confiscation by action of a foreign government.

"(C) Loss due to war, revolution, insurrection, or civil strife.

"(D) Loss due to business interruption caused by any of the risks set forth in subparagraphs (A), (B), and (C).

"(2) RISK SHARING ARRANGEMENTS WITH FOREIGN GOVERNMENTS AND MULTILATERAL ORGANIZATIONS.—Recognizing that major private investments in less developed friendly countries or areas are often made by enterprises in which there is multinational participation, including significant United States private participation, the Corporation may make arrangements with foreign governments (including agencies, instrumentalities, and political subdivisions thereof) and with multilateral organizations and institutions for sharing liabilities assumed under investment insurance for such investments and may, in connection with such arrangements, issue insurance to investors not otherwise eligible for insurance under this chapter, except that—

"(A) liabilities assumed by the Corporation under the authority of this paragraph shall be consistent with the purposes of this chapter, and

"(B) the maximum share of liabilities so assumed shall not exceed the proportionate participation by eligible investors in the project.

"(3) MAXIMUM CONTINGENT LIABILITY WITH RESPECT TO SINGLE INVESTOR.—Not more than 10 percent of the maximum contingent liability of investment insurance which the Corporation is permitted to have outstanding under section 3206(a)(1) shall be issued to a single investor.

"(4) REPORTS ON INSURANCE ISSUED FOR BUSINESS INTERRUPTION OR CIVIL STRIFE.—(A) In each instance in which a significant expansion is proposed in the type of risk to be insured under the definition of 'civil strife' or 'business interruption', the Corporation shall, at least 60 days before such insurance is issued, submit to the appropriate congressional committees a report with respect to such insurance.

"(B) Each such report shall include a thorough analysis of the risks to be covered, anticipated losses, and proposed rates and reserves and, in the case of insurance for loss due to business interruption, an explanation of the underwriting basis upon which the insurance is to be offered.

"(C) Any such report with respect to insurance for loss due to business interruption shall be considered in accordance with the procedures applicable to reprogramming notifications pursuant to section 6304.

"(b) INVESTMENT GUARANTEES.—

"(1) AUTHORITY.—The Corporation is authorized to issue to eligible investors guarantees of loans and other investments made by such investors assuring against loss due to such risks and upon such terms and conditions as the Corporation may determine, subject to paragraphs (2), (3), and (4).

"(2) GUARANTEES ON OTHER THAN LOAN INVESTMENTS.—A guarantee issued under paragraph (1) on other than a loan investment may not exceed 75 percent of such investment.

"(3) LIMIT ON AMOUNT OF INVESTMENT GUARANTEED.—Except for loan investments for credit unions made by eligible credit unions or credit union associations, the aggregate amount of investment (exclusive of interest and earnings) for which guarantees are issued under paragraph (1) with respect to any project shall not exceed, at the time of issuance of any such guarantee, 75 percent of the total investment committed to any such project as determined by the Corporation. Such determination by the Corporation shall be conclusive for purposes of the Corporation's authority to issue any such guarantee.

"(4) MAXIMUM CONTINGENT LIABILITY WITH RESPECT TO SINGLE INVESTOR.—Not more than 15 percent of the maximum contingent liability of investment guarantees which the Corporation is permitted to have outstanding under section 3206(a)(2) may be issued to a single investor.

"(c) DIRECT INVESTMENT.—

"(1) IN GENERAL.—The Corporation is authorized to make loans in United States dollars, repayable in dollars, and to make loans in foreign currencies, to firms privately owned or of mixed private and public ownership, upon such terms and conditions as the Corporation may determine. Loans may be made under this subsection only for projects that are sponsored by or significantly involve United States small business or cooperatives.

"(2) USE OF LOAN FOR NEW TECHNOLOGIES, PRODUCTS, OR SERVICES.—The Corporation may designate up to 25 percent of any loan under this subsection for use in the development or adaptation in the United States of new technologies or new products or services that are to be used in the project for which the loan is made and are likely to contribute to the economic or social development of less developed countries.

"(d) INVESTMENT ENCOURAGEMENT.—The Corporation is authorized to initiate and support through financial participation, incentive grant, or otherwise, and on such terms and conditions as the Corporation may determine, the identification, assessment,

surveying, and promotion of private investment opportunities, using wherever feasible and effective the facilities of private investors, except that the Corporation shall not finance any survey to ascertain the existence, location, extent, or quality of oil or gas resources.

"(e) SPECIAL ACTIVITIES.—The Corporation is authorized to administer and manage special projects and programs, including programs of financial and advisory support, which provide private technical, professional, or managerial assistance in the development of human resources, skills, technology, capital savings, intermediate financial and investment institutions, and cooperatives. The funds for these projects and programs may, with the Corporation's concurrence, be transferred to it for such purposes under the authority of section 7201(a) or from other sources, public or private.

"(f) OTHER INSURANCE FUNCTIONS.—

"(1) IN GENERAL.—The Corporation is authorized—

"(A) to make and carry out contracts of insurance or reinsurance, or agreements to associate or share risks, with insurance companies, financial institutions, any other persons, or groups thereof, and

"(B) to employ such insurance companies, financial institutions, other persons, or groups, where appropriate, as its agent, or to act as their agent, in the issuance and servicing of insurance, the adjustment of claims, the exercise of subrogation rights, the ceding and accepting of reinsurance, and in any other matter incident to an insurance business,

except that such agreements and contracts shall be consistent with the purposes of the Corporation set forth in section 3201 and shall be on equitable terms.

"(2) RISK-SHARING AGREEMENTS.—The Corporation is authorized to enter into pooling or other risk-sharing agreements with multinational insurance or financing agencies or groups of such agencies.

"(3) OWNERSHIP INTEREST IN RISK-SHARING ENTITIES.—The Corporation is authorized to hold an ownership interest in any association or other entity established for the purposes of sharing risks under investment insurance.

"(4) REINSURANCE OF CERTAIN LIABILITIES.—The Corporation is authorized to issue, upon such terms and conditions as it may determine, reinsurance of liabilities assumed by other insurers or groups thereof with respect to risks referred to in subsection (a)(1).

"(5) LIMITATION ON REINSURANCE.—The amount of reinsurance of liabilities under this chapter which the Corporation may issue shall not in the aggregate exceed at any one time an amount equal to the amount authorized for the maximum contingent liability outstanding at any one time under section 3206(a)(1). All reinsurance issued by the Corporation under this subsection shall require that the reinsured party retain for his or her own account specified portions of liability, whether first loss or otherwise.

"(g) EQUITY FINANCE PROGRAM.—

"(1) AUTHORITY FOR EQUITY FINANCE PROGRAM.—The Corporation is authorized to establish an equity finance program under which it may, on the limited basis prescribed in paragraphs (2) through (4), purchase, invest in, or otherwise acquire equity or quasi-equity securities of any firm or entity, upon such terms and conditions as the Corporation may determine, for the purpose of providing capital for any project which is consistent with the provisions of this chapter, except that—

"(A) the aggregate amount of the Corporation's equity investment with respect to any project shall not exceed 30 percent of the aggregate amount of all equity investment made with respect to such project at the time that the Corporation's equity investment is made, except for securities acquired through the enforcement of any lien, pledge, or contractual arrangement as a result of a default by any party under any agreement relating to the terms of the Corporation's investment; and

"(B) the Corporation's equity investment under this subsection with respect to any project, when added to any other investments made or guaranteed by the Corporation under subsection (b) or (c) with respect to such project, shall not cause the aggregate amount of all such investment to exceed, at the time any such investment is made or guaranteed by the Corporation, 75 percent of the total investment committed to such project as determined by the Corporation.

The determination of the Corporation under subparagraph (B) shall be conclusive for purposes of the Corporation's authority to make or guarantee any such investment.

"(2) ADDITIONAL CRITERIA.—In making investment decisions under this subsection, the Corporation shall give preferential consideration to projects sponsored by or significantly involving United States small business or cooperatives. The Corporation shall also consider the extent to which the Corporation's equity investment will assist in obtaining the financing required for the project.

"(3) DISPOSITION OF EQUITY INTEREST.—Taking into consideration, among other things, the Corporation's financial interests and the desirability of fostering the development of local capital markets in less developed countries, the Corporation shall endeavor to dispose of any equity interest it may acquire under this subsection within a period of 10 years from the date of acquisition of such interest.

"(4) CONSULTATIONS WITH CONGRESS.—The Corporation shall consult annually with the appropriate congressional committees on the implementation of the equity finance program established under this subsection.

"SEC. 3204. ENHANCING PRIVATE POLITICAL RISK INSURANCE INDUSTRY.

"(a) COOPERATIVE PROGRAMS.—In order to encourage greater availability of political risk insurance for eligible investors by enhancing the private political risk insurance industry in the United States, and to the extent consistent with this chapter, the Corporation shall undertake programs of cooperation with such industry, and in connection with such programs may engage in the following activities:

"(1) Utilizing its statutory authorities, encourage the development of associations, pools, or consortia of United States private political risk insurers.

"(2) Share insurance risks (through coinsurance, contingent insurance, or other means) in a manner that is conducive to the growth and development of the private political risk insurance industry in the United States.

"(3) Notwithstanding section 3208(e), upon the expiration of insurance provided by the Corporation for an investment, enter into risk-sharing agreements with United States private political risk insurers to insure any such investment; except that, in cooperating in the offering of insurance under this paragraph, the Corporation shall not assume responsibility for more than 50 percent of the insurance being offered in each separate transaction.

"(b) ADVISORY GROUP.—

"(1) ESTABLISHMENT AND MEMBERSHIP.—The Corporation shall establish a group to advise the Corporation on the development and implementation of the cooperative programs under this section. The group shall be appointed by the Board and shall be composed of up to 12 members, including the following:

"(A) Up to 7 persons from the private political risk insurance industry, of whom no fewer than 2 shall represent private political risk insurers, 1 shall represent private political risk reinsurers, and 1 shall represent insurance or reinsurance brokerage firms.

"(B) Up to 4 persons, other than persons described in subparagraph (A), who are purchasers of political risk insurance.

"(2) FUNCTIONS.—The Corporation shall call upon members of the advisory group, either collectively or individually, to advise it regarding the capability of the private political risk insurance industry to meet the political risk insurance needs of United States investors, and regarding the development of cooperative programs to enhance such capability.

"(3) MEETINGS.—The advisory group shall meet at least annually. The Corporation may from time to time convene meetings of selected members of the advisory group to address particular questions requiring their specialized knowledge.

"(4) FEDERAL ADVISORY COMMITTEE ACT.—The advisory group shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

"SEC. 3205. GUIDELINES AND REQUIREMENTS FOR OPIC SUPPORT.

"(a) DEVELOPMENT IMPACT PROFILE.—In order to carry out the policy set forth in section 3201(b)(1), the Corporation shall prepare and maintain for each investment project it insures, finances, or reinsures, a development impact profile consisting of data appropriate to measure the projected and actual effects of such project on development. Criteria for evaluating projects shall be developed in consultation with the administering agency for title I.

"(b) SMALL BUSINESS DEVELOPMENT.—

"(1) BROADENED PARTICIPATION BY SMALL BUSINESSES.—The Corporation shall undertake, in cooperation with appropriate departments, agencies, and instrumentalities of the United States as well as private entities and others, to broaden the participation of United States small business, cooperatives, and other small United States investors in the development of small private enterprise in less developed friendly countries or areas.

"(2) PREFERENTIAL CONSIDERATION.—The Corporation shall undertake, to the maximum degree possible consistent with its purposes—

"(A) to give preferential consideration in its investment insurance, reinsurance, and guarantee activities to investment projects sponsored by or involving United States small business; and

"(B) to maintain the proportion of projects sponsored by or significantly involving United States small business at not less than 30 percent of all projects insured, reinsured, or guaranteed by the Corporation.

"(3) ALLOCATION OF INCOME.—The Corporation shall allocate up to 50 percent of its annual net income, after making suitable provision for transfers and additions to reserves, to assist and facilitate the development of projects consistent with the provisions of this subsection. Such funds may be expended

notwithstanding the requirements of section 3201(c)(1), on such terms and conditions as the Corporation may determine through loans, grants, or other programs authorized by sections 3203 and 3204.

"(c) ENVIRONMENTAL CONSIDERATIONS.—

"(1) ENVIRONMENTAL, HEALTH, OR SAFETY HAZARD.—The Corporation shall refuse to insure, reinsure, guarantee, or finance any investment in connection with a project which the Corporation determines will pose an unreasonable or major environmental, health, or safety hazard, or will result in the significant degradation of national parks or similar protected areas.

"(2) RESOURCE SUSTAINABLE DEVELOPMENT.—The Corporation, in determining whether to provide insurance, reinsurance, guarantees, or financing for a project, shall ensure that the project is consistent with the objectives set forth in sections 1102(a)(2) of resource sustainable development.

"(3) ENVIRONMENTAL IMPACT STATEMENTS AND ASSESSMENTS.—The requirements of section 1241 relating to environmental impact statements and environmental assessments shall apply to any investment which the Corporation insures, reinsures, guarantees, or finances under this chapter in connection with a project in a country.

"(4) NOTIFICATION OF FOREIGN GOVERNMENTS.—Before finally providing insurance, reinsurance, guarantees, or financing under this chapter for any environmentally sensitive investment in connection with a project in a country, the Corporation shall notify appropriate government officials of that country of—

"(A) all guidelines and other standards adopted by the International Bank for Reconstruction and Development and any other international organization that relate to the public health or safety or the environment and are applicable to the project; and

"(B) to the maximum extent practicable, any restriction, under any law of the United States, that relates to public health or safety or the environment and would apply to the project if the project were undertaken in the United States.

The notification under the preceding sentence shall include a summary of the guidelines, standards, and restrictions referred to in subparagraphs (A) and (B), and may include any environmental impact statement, assessment, review, or study prepared with respect to the investment pursuant to paragraph (3).

"(5) CONSIDERATION OF COMMENTS RECEIVED.—Before finally providing insurance, reinsurance, guarantees, or financing for any investment subject to paragraph (4), the Corporation shall take into account any comments it receives on the project involved.

"(d) WORKER RIGHTS.—

"(1) LIMITATION ON OPIC ACTIVITIES.—The Corporation may insure, reinsure, guarantee, or finance a project only if the country in which the project is to be undertaken is taking steps to adopt and implement laws that extend internationally recognized worker rights, as defined in section 502(a)(4) of the Trade Act of 1974 (19 U.S.C. 2462(a)(4)), to workers in that country (including any designated zone in that country).

"(2) USE OF ANNUAL REPORTS ON WORKERS RIGHTS.—The Corporation shall, in making its determinations under paragraph (1), use the reports submitted to the Congress pursuant to section 505(c) of the Trade Act of 1974 (19 U.S.C. 2465(c)).

"(3) WAIVER.—Paragraph (1) shall not prohibit the Corporation from providing any insurance, reinsurance, guarantee, or financing with respect to a country if the President determines that such activities by the Corporation would be in the national economic interests of the United States. Any such determination shall be reported in writing to the Congress, together with the reasons for the determination.

"(e) HUMAN RIGHTS.—The Corporation shall take into account in the conduct of its programs in a country, in consultation with the Secretary of State, all available information about observance of and respect for human rights and fundamental freedoms in such country and the effect the operation of such programs will have on human rights and fundamental freedoms in such country. The provisions of section 6201(a)(2) shall apply to any insurance, reinsurance, guarantee, or financing provided by the Corporation for projects in a country, except that in addition to the exception (with respect to benefiting poor people) set forth in subsection (b)(1)(C) of such section, the Corporation may support a project if the national security interest so requires.

"(f) HARM TO EMPLOYMENT IN THE UNITED STATES.—

"(1) REPLACEMENT OF UNITED STATES PRODUCTION.—(A) The Corporation shall refuse to insure, reinsure, guarantee, or finance an investment if the Corporation determines that such investment is likely to cause such investor (or the sponsor of an investment project in which such investor is involved) significantly to reduce the number of the investor's or sponsor's employees in the United States because the investor or sponsor is replacing his or her United States production with production from such investment, and the production from such investment involves substantially the same product for substantially the same market as the investor's or sponsor's United States production.

"(B) If the Corporation determines that an investment is not likely to have the effects described in subparagraph (A), the Corporation shall monitor conformance with the representations made by the investor on which the Corporation relied in making that determination.

"(2) REDUCTION OF EMPLOYEES IN THE UNITED STATES.—The Corporation shall refuse to insure, reinsure, guarantee, or finance an investment if the Corporation determines that such investment is likely to cause a significant reduction in the number of employees in the United States.

"(g) PERFORMANCE REQUIREMENTS.—The Corporation shall refuse to insure, reinsure, guarantee, or finance an investment which is subject to performance requirements which would reduce substantially the positive trade benefits likely to accrue to the United States from the investment.

"(h) PROHIBITED TRADE PRACTICES.—

"(1) PAYMENTS TO VIOLATORS BARRED.—No payment may be made under any insurance or reinsurance which is issued under this chapter on or after April 24, 1978, for any loss occurring with respect to a project, if the preponderant cause of such loss was an act by the investor seeking payment under this chapter, by a person possessing majority ownership and control of the investor at the time of the act, or by any agent of such investor or controlling person, and a court of the United States has entered a final judgment that such act constituted a violation of section 30A of the Securities Exchange Act of 1934 or section 104 of the Foreign Corrupt Practices Act of 1977.

"(2) REGULATIONS.—The Corporation shall have in effect regulations setting forth appropriate conditions under which any person who has been finally determined by a court of the United States to have violated section 30A of the Securities Exchange Act of 1934 or section 104 of the Foreign Corrupt Practices Act of 1977 shall be suspended, for a period of not more than 5 years, from eligibility to receive any insurance, reinsurance, guarantee, financing, or other financial support authorized by this chapter, if that violation related to a project insured, reinsured, guaranteed, financed, or otherwise supported by the Corporation under this chapter.

"(i) FRAUD OR MISREPRESENTATION.—No payment may be made under any guarantee, insurance, or reinsurance issued under this chapter for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(j) PUBLIC HEARINGS.—The Board shall hold at least 1 public hearing each year in order to afford an opportunity for any person to present views as to whether the Corporation is carrying out its activities in accordance with section 3201 and this section or whether any investment in a particular country should have been or should be extended insurance, reinsurance, guarantees, or financing under this chapter.

"SEC. 3206. ISSUING AUTHORITY, DIRECT INVESTMENT FUND, EQUITY FUND, AND RESERVES.

"(a) ISSUING AUTHORITY.—

"(1) INSURANCE.—The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 3203(a) shall not exceed in the aggregate $7,500,000,000.

"(2) GUARANTEES.—(A) The maximum contingent liability outstanding at any one time pursuant to guarantees issued under section 3203(b) shall not exceed in the aggregate $2,500,000,000.

"(B) Notwithstanding section 504(b) of the Federal Credit Reform Act of 1990 but subject to spending authority provided in appropriations Acts, the Corporation is authorized to draw up to $1,500,000 from its noncredit account revolving fund to pay for the estimated subsidy cost of a program level for the loan guarantee program under section 3203(b) of $375,000,000 for fiscal year 1992. Such funds shall remain available in fiscal year 1993.

"(3) TERMINATION OF AUTHORITY.—The authority of subsections (a) and (b) of section 3203 shall continue until September 30, 1992.

"(b) DIRECT LOAN PROGRAM.—Notwithstanding section 504(b) of the Federal Credit Reform Act of 1990 but subject to spending authority provided in appropriations Acts, the Corporation is authorized to draw up to $4,800,000 from its noncredit account revolving fund to pay for the estimated subsidy cost of a program level for its direct loan program under section 3203(c) of $50,000,000 for fiscal year 1992. Such amounts shall remain available for fiscal year 1993.

"(c) CREATION OF FUND FOR ACQUISITION OF EQUITY.—The Corporation is authorized to establish a revolving fund to be available solely for the purposes specified in section 3203(g) and to make a one-time transfer to the fund of $35,000,000 (less amounts transferred to the fund before the effective date specified in section 1101 of the International Cooperation Act of 1991) from its noncredit account revolving fund. The Corporation shall transfer to the fund in each fiscal year all amounts received by the Corporation during the preceding fiscal year as income on securities acquired under section 3203(g), and from the proceeds on the disposition of such securities. Purchases of, investments in, and other acquisitions of equity from the fund are authorized for any fiscal year only to the

extent or in such amounts as are provided in advance in appropriations Acts.

"(d) INSURANCE RESERVES.—

"(1) MAINTENANCE AND PURPOSES.—The Corporation shall maintain insurance reserves. Such reserves shall be available for the discharge of liabilities, as provided in subsection (e), until such time as all such liabilities have been discharged or have expired or until all such reserves have been expended in accordance with the provisions of this section.

"(2) FUNDING.—The insurance reserves shall consist of—

"(A) any funds in the insurance reserves of the Corporation on the effective date specified in section 1101 of the International Cooperation Act of 1991,

"(B) amounts transferred to the reserves pursuant to this chapter, and

"(C) such sums as are appropriated pursuant to subsection (f) of this section for such purposes.

"(e) ORDER OF PAYMENTS TO DISCHARGE LIABILITIES.—Any payment made to discharge liabilities under investment insurance or reinsurance issued under section 3203, under similar predecessor guarantee authority, or under section 3204, shall be paid first out of the insurance reserve, as long as such reserve remains available, and thereafter out of funds made available pursuant to subsection (f) of this section. Any payments made to discharge liabilities under guarantees issued under section 3203(b) shall be paid in accordance with the Federal Credit Reform Act of 1990.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) AUTHORIZATION.—Subject to paragraph (2), there are authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the insurance reserves, to discharge the liabilities under insurance or reinsurance, issued by the Corporation or issued under predecessor guarantee authority, or to discharge obligations of the Corporation purchased by the Secretary of the Treasury pursuant to subsection (g).

"(2) LIMITATION ON APPROPRIATIONS.—No appropriation shall be made under paragraph (1) to augment the insurance reserve until the amount of funds in the insurance reserve is less than $25,000,000. Any appropriations to augment the insurance reserve shall then only be made either pursuant to specific authorization enacted after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974, or to satisfy the full faith and credit provision of section 3206(c).

"(g) ISSUANCE OF OBLIGATIONS.—In order to discharge liabilities under investment insurance or reinsurance, the Corporation is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or other obligations; except that the aggregate amount of such obligations outstanding at any one time may not exceed $100,000,000. Any such obligation shall be repaid to the Treasury within 1 year after the date of issue of such obligation. Any such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of any obligation authorized by this subsection. The Secretary of the Treasury shall purchase any obligation of the Corporation issued under this subsection, and for such purchase the Secretary may use as a public debt transaction the proceeds of the sale of any securities issued under chapter 31 of title 31, United States Code. The purpose for which securities may be issued under chapter 31 of title 31, United States Code, shall include any such purchase.

"(h) ADMINISTRATIVE EXPENSES.—Subject to spending authority provided in appropriations Acts, the Corporation is authorized to draw up to $12,000,000 from its noncredit account revolving fund for the administrative costs of its direct loan and loan guarantee programs for fiscal year 1992. Such funds shall remain available in fiscal year 1993.

"SEC. 3207. INCOME AND REVENUES.

"In order to carry out the purposes of the Corporation, all revenues and income transferred to or earned by the Corporation, from its noncredit activities, shall be held by the Corporation and shall be available to carry out its purposes, including without limitation—

"(1) payment of all expenses of the Corporation, including investment promotion expenses;

"(2) transfers and additions to the insurance reserves maintained under section 3206(d), and such other funds or reserves as the Corporation may establish, at such time and in such amounts as the Board may determine; and

"(3) payment of dividends, on capital stock, which shall consist of and be paid from net earnings of the Corporation after payments, transfers, and additions under paragraphs (1) and (2).

"SEC. 3208. GENERAL PROVISIONS RELATING TO INSURANCE, GUARANTY, AND FINANCING PROGRAM.

"(a) AGREEMENTS WITH COUNTRIES.—Insurance, guarantees, and reinsurance issued under this chapter shall cover investment made in connection with projects in any less developed friendly country or area with the government of which the President of the United States has agreed to institute a program for such insurance, guarantees, or reinsurance.

"(b) PROTECTION OF INTERESTS OF THE CORPORATION.—The Corporation shall determine that suitable arrangements exist for protecting the interest of the Corporation in connection with any insurance, reinsurance, or guarantee issued under this chapter, including arrangements concerning ownership, use, and disposition of the currency, credits, assets, or investments on account of which payment under such insurance, guarantee, or reinsurance is to be made, and any right, title, claim, or cause of action existing in connection therewith.

"(c) FULL FAITH AND CREDIT PLEDGED.—All guarantees issued under predecessor guarantee authority, and all insurance, reinsurance, and guarantees issued under this chapter shall constitute obligations, in accordance with the terms of such insurance, reinsurance, or guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(d) FEES.—

"(1) IN GENERAL.—Fees may be charged for providing insurance, reinsurance, guarantees, financing, and other services under this chapter in amounts to be determined by the Corporation. In the event fees charged for insurance, reinsurance, guarantees, financing, or other services are reduced, fees to be paid under existing contracts for the same type of insurance, reinsurance, guarantees, financing, or services and for similar guarantees issued under predecessor guarantee authority may be reduced.

"(2) CREDIT TRANSACTION COSTS.—Project-specific transaction costs incurred by the Corporation relating to loan obligations or loan guarantee commitments covered by the provisions of the Federal Credit Reform Act of 1990, including the costs of project-related travel and expenses for legal representation provided by persons outside the Corporation and other similar expenses which are charged to the borrower, shall be paid out of the appropriate finance account established pursuant to section 505(b) of such Act.

"(3) NONCREDIT TRANSACTION COSTS.—Fees paid for the project-specific transaction costs and other direct costs associated with services provided to specific investors or potential investors pursuant to section 3203 (other than those covered in paragraph (2)), including financing, insurance, reinsurance, missions, seminars, conferences, and other preinvestment services, shall be available for obligation for the purposes for which they were collected, notwithstanding any other provision of law.

"(e) INSURANCE, GUARANTEES, AND REINSURANCE LIMITED TO 20 YEARS.—No insurance, reinsurance, or guarantee of any equity investment under this chapter shall extend beyond 20 years from the date on which such insurance, reinsurance, or guarantee is issued.

"(f) AMOUNT OF COMPENSATION PAID ON CLAIMS.—Compensation for any insurance, reinsurance, or guarantee issued under this chapter shall not exceed the dollar value, as of the date of the investment, of the investment made in the project with the approval of the Corporation plus interest, earnings, or profits actually accrued on such investment to the extent provided by such insurance, reinsurance, or guarantee, except that the Corporation may provide that—

"(1) appropriate adjustments in the insured dollar value be made to reflect the replacement cost of project assets;

"(2) compensation for a claim of loss under insurance of an equity investment may be computed on the basis of the net book value attributable to such equity investment on the date of loss; and

"(3) compensation for loss due to business interruption may be computed on a basis to be determined by the Corporation which reflects amounts lost.

Notwithstanding the preceding sentence, the Corporation shall limit the amount of direct insurance and reinsurance issued under section 3203 or 3204 so that risk of loss as to at least 10 percent of the total investment of the insured and its affiliates in the project is borne by the insured and such affiliates, except that this limitation shall not apply to direct insurance or reinsurance of loans by banks or other financial institutions to unrelated parties.

"(g) LIMITATION WITH RESPECT TO FOREIGN CREDIT INSTITUTIONS.—Insurance, guarantees, or reinsurance of a loan or equity investment of an eligible investor in a foreign bank, finance company, or other credit institution shall extend only to such loan or equity investment and not to any individual loan or equity investment made by such foreign bank, finance company, or other credit institution.

"(h) SETTLEMENT AND ARBITRATION OF CLAIMS.—Claims arising as a result of insurance, reinsurance, or guarantee operations under this chapter or under predecessor guarantee authority may be settled, and disputes arising as a result thereof may be arbitrated with the consent of the parties, on

such terms and conditions as the Corporation may determine. Payment made pursuant to any such settlement, or as a result of an arbitration award, shall be final and conclusive notwithstanding any other provision of law.

"(i) CONTRACTS PRESUMED TO COMPLY WITH ACT.—Each guarantee contract executed by such officer or officers as may be designated by the Board shall be conclusively presumed to be issued in compliance with the requirements of this Act.

"(j) OPERATIONS IN CERTAIN COUNTRIES.—Except for the provisions of this chapter, no other provision of this or any other law shall be construed to prohibit the operation in any eligible East European country (within the meaning of the Support for East European Democracy (SEED) Act of 1989) of any program authorized by this chapter, if the President determines that the operation of such program in such country is important to the national interest.

"SEC. 3209. GENERAL PROVISIONS AND POWERS.

"(a) PRINCIPAL OFFICE.—The Corporation shall have its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident of the District of Columbia.

"(b) AUDITS.—

"(1) IN GENERAL.—The Corporation shall be subject to the applicable provisions of chapter 91 of title 31, United States Code, except as otherwise provided in this chapter.

"(2) INDEPENDENT AUDIT.—An independent certified public accountant shall perform a financial and compliance audit of the financial statements of the Corporation each year, in accordance with generally accepted Government auditing standards for a financial and compliance audit, taking into consideration any standards recommended by the Comptroller General. The independent certified public accountant shall report the results of such audit to the Board. The financial statements of the Corporation shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the accountant shall be included in a report which contains, to the extent applicable, the information identified in section 9106 of title 31, United States Code, and which the Corporation shall submit to the Congress not later than 6½ months after the end of the last fiscal year covered by the audit. The Comptroller General may review the audit conducted by the accountant and the report to the Congress in the manner and at such times as the Comptroller General considers necessary.

"(3) AUDIT BY COMPTROLLER GENERAL.—In lieu of the financial and compliance audit required by paragraph (2), the Comptroller General shall, if the Comptroller General considers it necessary or upon the request of the Congress, audit the financial statements of the Corporation in the manner provided in paragraph (2). The Corporation shall reimburse the General Accounting Office for the full cost of any audit conducted under this paragraph.

"(4) AVAILABILITY OF INFORMATION.—All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Corporation and the accountant who conducts the audit under paragraph (2), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

"(c) POWERS.—To carry out the purposes of this chapter, the Corporation is authorized—

"(1) to adopt and use a corporate seal, which shall be judicially noticed;

"(2) to sue and be sued in its corporate name;

"(3) to adopt, amend, and repeal bylaws governing the conduct of its business and the performance of the powers and duties granted to or imposed upon it by law;

"(4) to acquire, hold, or dispose of, upon such terms and conditions as the Corporation may determine, any property, real, personal, or mixed, tangible or intangible, or any interest therein;

"(5) to invest funds derived from fees and other revenues in obligations of the United States and to use the proceeds therefrom, including earnings and profits, as it considers appropriate;

"(6) to indemnify directors, officers, employees, and agents of the Corporation for liabilities and expenses incurred in connection with their Corporation activities;

"(7) to require bonds of officers, employees, and agents and to pay the premiums therefor;

"(8) notwithstanding any other provision of law, to represent itself or to contract for representation in all legal and arbitral proceedings;

"(9) to purchase, discount, rediscount, sell, and negotiate, with or without its endorsement or guarantee, and guarantee notes, participation certificates, and other evidence of indebtedness (except that the Corporation shall not issue its own securities, except participation certificates for the purpose of carrying out section 3201(c)(3) or participation certificates as evidence of indebtedness held by the Corporation in connection with settlement of claims under section 3208(h));

"(10) to make and carry out such contracts and agreements as are necessary and advisable in the conduct of its business;

"(11) to exercise any priority of the Government of the United States in collecting debts from the estates of bankrupt, insolvent, or decedent parties;

"(12) to determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations;

"(13) to collect or compromise any obligations assigned to or held by the Corporation, including any legal or equitable rights accruing to the Corporation; and

"(14) to take such actions as may be necessary or appropriate to carry out the powers of the Corporation.

"(d) INSPECTOR GENERAL.—

"(1) AUTHORITY.—The Inspector General of the administering agency—

"(A) shall have full and independent authority to conduct audits, investigations, and inspections of all phases of the Corporation's programs and operations for the purpose of promoting economy, efficiency, and effectiveness, and detecting and preventing fraud and abuse; and

"(B) shall conduct all security activities of the Corporation relating to personnel and the control of classified material.

"(2) RELATION TO PRESIDENT OF CORPORATION.—The Inspector General shall report to and be under the general supervision of the President of the Corporation with respect to activities undertaken pursuant to this subsection, except that the President of the Corporation shall not prevent or prohibit the Inspector General from initiating, carrying out, or completing any such activity in accordance with the duties, authorities, and responsibilities contained in the Inspector General Act of 1978 and any other applicable law or regulation.

"(3) INSPECTOR GENERAL ACT.—For purposes of the Inspector General Act of 1978, the Corporation shall be considered to be a Federal entity and the President of the Corporation shall be considered the head of the Federal entity.

"(4) SEMIANNUAL REPORT.—The semiannual report required under section 5 of the Inspector General Act of 1978 shall include information relating to activities of the Inspector General undertaken pursuant to this subsection.

"(e) EXEMPTION FROM STATE AND LOCAL TAXATION.—The Corporation (including its franchise, capital, reserves, surplus, advances, intangible property, and income) shall be exempt from all taxation at any time imposed by any State, the District of Columbia, or any county, municipality, or local taxing authority.

"(f) CORPORATE OPERATIONAL GUIDELINES.—The Corporation—

"(1) shall establish and publish guidelines for its programs and operations consistent with the provisions of this chapter, and

"(2) shall make such guidelines available to applicants for insurance, reinsurance, guarantees, financing, or other assistance provided by the Corporation.

The provisions of this chapter shall be controlling with respect to the Corporation's programs and operations.

"SEC. 3210. ANNUAL REPORT; MAINTENANCE OF INFORMATION.

"(a) ANNUAL REPORT.—After the end of each fiscal year, the Corporation shall submit to the Congress a complete and detailed report of its operations during such fiscal year. Such report shall include—

"(1) an assessment, based upon the development impact profiles required by section 3205(a), of the economic and social development impact and benefits of the projects with respect to which such profiles are prepared, and of the extent to which the operations of the Corporation complement or are compatible with the development assistance programs of the United States and other donors; and

"(2) a description of any project for which the Corporation—

"(A) refused to provide any insurance, reinsurance, guarantee, financing, or other financial support, on account of violations of human rights referred to in section 3205(e); or

"(B) notwithstanding such violations, provided such insurance, reinsurance, guarantee, financing, or financial support, on the basis of a determination that—

"(i) the project benefits poor people consistent with section 6201(b)(1)(C), or

"(ii) the national security interest so requires.

"(b) PROJECTIONS OF EFFECTS ON EMPLOYMENT.—

"(1) IN GENERAL.—Each annual report required by subsection (a) shall contain projections of the effects on employment in the United States of all projects for which, during the fiscal year covered by the report, the Corporation initially issued any insurance, reinsurance, or guarantee or provided financing. Each such report shall include projections of—

"(A) the amount of United States exports to be generated by those projects, both during the start-up phase and over a period of years;

"(B) the final destination of the products to be produced as a result of those projects; and

"(C) the impact such production will have on the production of similar products in the United States with regard to both domestic sales and exports.

"(2) INFORMATION IN AGGREGATE FORM.—The projections required by this subsection shall be based on an analysis of each of the projects described in paragraph (1). Such projections may, however, present information and analysis in aggregate form, but only if—

"(A) those projects which are projected to have a positive effect on employment in the United States and those projects which are projected to have a negative effect on employment in the United States are grouped separately; and

"(B) there is set forth for each such grouping the key characteristics of the projects within that grouping, including the number of projects in each economic sector, the countries in which the projects in each economic sector are located, and the projected level of the impact of the projects in each economic sector on employment in the United States and on United States trade.

"(c) MAINTENANCE OF INFORMATION.—The Corporation shall maintain as part of its records—

"(1) all information collected in preparing the report required by section 240A(c) of the Foreign Assistance Act of 1961 (as in effect before the enactment of the Overseas Private Investment Corporation Amendments Act of 1988), whether the information was collected by the Corporation itself or by a contractor; and

"(2) a copy of the analysis of each project analyzed in preparing the projections required by subsection (b) of this section or the report required by section 240A(c) of this Act (as in effect before the enactment of the Overseas Private Investment Corporation Amendments Act of 1988).

"(d) PROGRAMS OF COOPERATION WITH PRIVATE INDUSTRY.—Each annual report required by subsection (a) shall include an assessment of programs implemented by the Corporation under section 3204(a), including the following information, to the extent such information is available to the Corporation:

"(1) The nature and dollar value of political risk insurance provided by private insurers in conjunction with the Corporation, which the Corporation was not permitted to provide under this chapter.

"(2) The nature and dollar value of political risk insurance provided by private insurers in conjunction with the Corporation, which the Corporation was permitted to provide under this chapter.

"(3) The manner in which such private insurers and the Corporation cooperated in recovery efforts and claims management.

"(e) PROTECTION OF CERTAIN INFORMATION.—Subsections (b) and (d) do not require the inclusion in any information submitted pursuant to those subsections of any information which would not be required to be made available to the public pursuant to section 552 of title 5, United States Code (relating to freedom of information).

"SEC. 3211. DEFINITIONS.

"As used in this chapter, the following terms have the following meanings:

"(1) BOARD.—The term 'Board' means the Board of Directors of the Overseas Private Investment Corporation.

"(2) CORPORATION.—The term 'Corporation' means the Overseas Private Investment Corporation.

"(3) ELIGIBLE INVESTOR.—(A) The term 'eligible investor' means—

"(i) a United States citizen;

"(ii) a corporation, partnership, or other association, including a nonprofit association, which is created under the laws of the United States, any State, the District of Columbia, or any commonwealth, territory, or possession of the United States, and which is substantially beneficially owned by United States citizens; and

"(iii) a foreign corporation, partnership, or other association which is wholly owned by one or more United States citizens or corporations, partnerships, or other associations described in clause (ii), except that the eligibility of any such foreign corporation shall be determined without regard to any shares held by other than United States citizens or corporations, partnerships, or other associations described in clause (ii) if, in the aggregate, such shares equal less than 5 percent of the total issued and subscribed share capital of such foreign corporation.

"(B) For purposes of this chapter—

"(i) in the case of insurance or a guarantee for any loan investment, a final determination of whether a person is an eligible investor may be made at the time the insurance or guarantee is issued; and

"(ii) in the case of insurance or a guarantee for any other investment, an investor must be an eligible investor at the time a claim arises as well as the time the insurance or guarantee is issued.

"(4) EXPROPRIATION.—The term 'expropriation' includes any abrogation, repudiation, or impairment by a foreign government of its own contract with an investor with respect to a project, where such abrogation, repudiation, or impairment is not caused by the investor's own fault or misconduct, and materially adversely affects the continued operation of the project.

"(5) INVESTMENT.—The term 'investment' includes any contribution or commitment of funds, commodities, services, patents, processes, or techniques, in the form of—

"(A) a loan or loans to an approved project,

"(B) the purchase of a share of ownership in any such project,

"(C) participation in royalties, earnings, or profits of any such project, or

"(D) the furnishing of commodities or services pursuant to a lease or other contract.

"(6) NONCREDIT ACCOUNT REVOLVING FUND.—The term 'noncredit account revolving fund' means the account in which funds under section 3205 and all funds from noncredit activities are held.

"(7) NONCREDIT ACTIVITIES.—The term 'noncredit activities' means all activities of the Corporation other than its loan guarantee program under section 3203(b) and its direct loan program under section 3203c).

"(8) PREDECESSOR GUARANTEE AUTHORITY.—The term 'predecessor guarantee authority' means prior guarantee authorities (other than housing guarantee authorities) repealed by the Foreign Assistance Act of 1969, section 202(b) and 413(b) of the Mutual Security Act of 1954, and section 111(b)(3) of the Economic Cooperation Act of 1948, (exclusive of authority relating to informational media guarantees).".

The CHAIRMAN pro tempore. Are there amendments to title III?

If not, the Clerk will designate title IV.

The test of title IV is as follows:

TITLE IV—INTERNATIONAL NARCOTICS CONTROL

SEC. 401. CONSOLIDATION AND REVISION OF AUTHORITIES AND REQUIREMENTS.

The Foreign Assistance Act of 1961 is amended by inserting after title III, as added by title III of this Act, the following:

"TITLE IV—INTERNATIONAL NARCOTICS CONTROL

"CHAPTER 1—GENERAL POLICIES

"SEC. 4101. STATEMENTS OF POLICY.

"(a) GENERAL STATEMENT OF POLICY.—

"(1) International narcotics trafficking poses an unparalleled transnational threat in today's world, and its suppression is among the most important foreign policy objectives of the United States.

"(2) Under the Single Convention on Narcotic Drugs, 1961, and under the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, the parties are required to criminalize certain drug-related activities, provide appropriately severe penalties, and cooperate in the extradition of accused offenders.

"(3) International narcotics control programs should include, as priority goals, the suppression of the illicit manufacture of and trafficking in narcotic and psychotropic drugs, money laundering, and precursor chemical diversion, and the progressive elimination of the illicit cultivation of the crops from which narcotic and psychotropic drugs are derived.

"(4) The international community should provide assistance, where appropriate, to those producer and transit countries which require assistance in discharging these primary obligations.

"(5) Effective international cooperation is necessary to control the illicit cultivation, production, and smuggling of, trafficking in, and abuse of narcotic and psychotropic drugs.

"(b) MULTILATERAL DEVELOPMENT BANKS.—In order to promote international cooperation in combating international trafficking in illicit narcotics, it shall be the policy of the United States to use its voice and vote in multilateral development banks to promote the development and implementation in the major illicit drug producing countries of programs for the reduction and eventual eradication of narcotic and psychotropic drugs and other controlled substances, including appropriate assistance in conjunction with effective programs of illicit crop eradication.

"SEC. 4102. COORDINATION OF ALL UNITED STATES ANTI-NARCOTICS ASSISTANCE TO FOREIGN COUNTRIES.

"(a) RESPONSIBILITY OF SECRETARY OF STATE.—Consistent with subtitle A of title I of the Anti-Drug Abuse Act of 1988, the Secretary of State shall be responsible for coordinating all assistance provided by the United States Government to support international efforts to combat illicit narcotics production or trafficking.

"(b) RULE OF CONSTRUCTION.—Nothing contained in this section or section 4401(c) shall be construed to limit or impair the authority or responsibility of any other Federal agency with respect to law enforcement, domestic security operations, or intelligence activities as defined in Executive Order 12333.

"CHAPTER 2—NARCOTICS CONTROL ASSISTANCE

"SEC. 4201. AUTHORITY TO CONCLUDE AGREEMENTS AND PROVIDE ASSISTANCE.

"(a) AUTHORITY TO CONCLUDE AGREEMENTS.—In order to promote effective international cooperation, the President is au-

thorized to conclude agreements, including reciprocal maritime agreements, with other countries to facilitate control of the production, processing, transportation, and distribution of narcotics analgesics, including opium and its derivatives, other narcotic and psychotropic drugs, and other controlled substances.

"(b) AUTHORITY TO FURNISH ASSISTANCE.—Notwithstanding any other provision of law, the President is authorized to furnish assistance to any country or international organization for the control of narcotic and psychotropic drugs and other controlled substances.

"(c) ADMINISTRATIVE AUTHORITIES.—Except where expressly provided to the contrary, any reference in any law to title I of this Act shall be deemed to include reference to this title.

"SEC. 4202. AUTHORIZATIONS OF APPROPRIATIONS.

"To carry out section 4201, there are authorized to be appropriated to the President $171,500,000 for fiscal year 1992 and $171,500,000 for fiscal year 1993.

"SEC. 4203. CONTRIBUTION BY RECIPIENT COUNTRY.

"To ensure local commitment to the activities assisted under this chapter, a country receiving assistance under this chapter should bear an appropriate share of the costs of any narcotics control program, project, or activity for which such assistance is to be provided. A country may bear such costs on an 'in kind' basis.

"SEC. 4204. USE OF HERBICIDES FOR AERIAL ERADICATION.

"(a) MONITORING.—The President, with the assistance of appropriate Federal agencies, shall monitor any use under this chapter of a herbicide for aerial eradication in order to determine the impact of such use on the environment and on the health of individuals.

"(b) ANNUAL REPORTS.—The President shall report on such impact in the annual report required by section 4401(a).

"(c) REPORT UPON DETERMINATION OF HARM TO ENVIRONMENT OR HEALTH.—If the President determines that any such use is harmful to the environment or the health of individuals, the President shall immediately report that determination to the appropriate congressional committees, together with such recommendations as the President deems appropriate.

"SEC. 4205. PROHIBITION ON PROCUREMENT OF WEAPONS AND AMMUNITION.

"(a) PROHIBITION.—Except as provided in subsection (b), funds made available to carry out this chapter shall not be made available for the procurement of weapons or ammunition.

"(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to funds for the procurement of—

"(1) weapons or ammunition for the defensive arming of aircraft used for narcotics-related purposes, or

"(2) firearms and related ammunition provided for defensive purposes to employees of the Department of State engaged in activities under this title,

if, at least 15 days before obligating those funds, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"SEC. 4206. PERMISSIBLE USES OF AIRCRAFT AND OTHER EQUIPMENT.

"(a) IN GENERAL.—The President shall take all reasonable steps to ensure that aircraft and other equipment made available to foreign countries under this chapter are used only in ways that are consistent with the purposes for which such equipment was made available.

"(b) RECORDS OF AIRCRAFT USE.—

"(1) REQUIREMENT TO MAINTAIN.—The President shall maintain detailed records on the use of any aircraft made available to a foreign country under this chapter, including aircraft made available before the enactment of this section.

"(2) CONGRESSIONAL ACCESS.—The President shall make the records maintained pursuant to paragraph (1) available to the Congress upon a request of the Chairman of the Committee on Foreign Affairs of the House of Representatives or the Chairman of the Committee on Foreign Relations of the Senate.

"(c) ANNUAL REPORTS.—In the reports submitted pursuant to section 4401(a), the President shall discuss—

"(1) any evidence indicating misuse by a foreign country of aircraft or other equipment made available under this chapter, and

"(2) the actions taken by the United States Government to prevent future misuse of such equipment by that foreign country.

"SEC. 4207. RETENTION OF TITLE TO AIRCRAFT.

"(a) IN GENERAL.—

"(1) REQUIREMENT TO RETAIN TITLE.—Except as provided in subsection (b), any aircraft which are made available to a foreign country under this chapter, or are made available to a foreign country primarily for narcotics-related purposes under any other provision of law, shall be provided only on a lease or loan basis.

"(2) EFFECTIVE DATE.—Paragraph (1) applies to aircraft made available at any time after October 27, 1986 (which was the date of enactment of the International Narcotics Control Act of 1986).

"(b) EXCEPTIONS.—

"(1) NATIONAL INTEREST EXCEPTION.—Subsection (a) shall not apply to the extent that—

"(A) the application of that subsection with respect to particular aircraft would be contrary to the national interest of the United States; and

"(B) the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"(2) TRANSFERS UNDER CERTAIN AUTHORITIES.—Subsection (a) does not apply with respect to aircraft made available to a foreign country under section 2(b)(6)(B) of the Export-Import Bank Act of 1945 or under any provision of law that authorizes property that has been civilly or criminally forfeited to the United States to be made available to foreign countries.

"(c) ASSISTANCE FOR LEASING OF AIRCRAFT.—

"(1) USE OF FUNDS.—For purposes of satisfying the requirement of subsection (a), funds made available for foreign military financing assistance may be used to finance the leasing of aircraft under chapter 6 of the Defense Trade and Export Control Act.

"(2) COST OF LEASES.—Section 61(a)(3) of that Act shall not apply with respect to leases so financed; rather the entire cost of any such lease (including any renewals) shall be an initial, one time payment of the amount which would be the sales price for the aircraft if they were sold under section 21(a)(1)(B) or section 22 of that Act (as appropriate).

"(3) REIMBURSEMENT OF SDAF.—To the extent that aircraft so leased were acquired under chapter 5 of that Act, funds used pursuant to this subsection to finance such leases shall be credited to the Special Defense Acquisition Fund under chapter 5 of that Act (excluding the amount of funds that reflects the charges described in section 21(e)(1) of that Act). The funds described in the parenthetical clause of the preceding sentence shall be available for payments consistent with sections 37(a) and 43(b) of that Act.

"SEC. 4208. PROHIBITION ON USE OF NARCOTICS CONTROL ASSISTANCE TO ACQUIRE REAL PROPERTY.

"Funds made available to carry out this chapter may not be used to acquire (by purchase, lease, or other means) any real property for use by foreign military, paramilitary, or law enforcement forces unless, at least 15 days before obligating funds for such acquisition, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"CHAPTER 3—FOREIGN ASSISTANCE GENERALLY AND NARCOTICS CONTROL

"SEC. 4301. PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROP ERADICATIONS.

"Funds made available to carry out this Act may not be used to reimburse persons whose illicit drug crops are eradicated.

"SEC. 4302. PROHIBITION ON ASSISTANCE TO DRUG TRAFFICKERS.

"(a) PROHIBITION.—The President shall take all reasonable steps to ensure that assistance under this Act is not provided to or through any individual or entity that the President knows or has reason to believe—

"(1) has been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States, a State or the District of Columbia, or a foreign country, relating narcotic or psychotropic drugs or other controlled substances; or

"(2) is or has been an illicit trafficker in any such controlled substance or is or has been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such substance.

"(b) REGULATIONS.—The President shall issue regulations specifying the steps to be taken in carrying out this section.

"(c) CONGRESSIONAL REVIEW OF REGULATIONS.—Regulations issued pursuant to subsection (b) shall be submitted to the appropriate congressional committees before they take effect.

"SEC. 4303. TRANSFER OF FUNDS WHEN COUNTRIES FAIL TO TAKE ADEQUATE STEPS TO HALT ILLICIT DRUG PRODUCTION OR TRAFFICKING.

"Funds allocated under the report required by section 6303 for a country for economic support assistance, foreign military financing assistance, or international military education and training may be transferred to, and consolidated with, funds made available for international narcotics control assistance if—

"(1) such assistance is withheld from the country for which it was allocated because of the requirements of section 4402 or any other provision of law requiring the withholding of assistance for countries that have not cooperated with the United States or otherwise taken adequate steps to halt illicit drug production and trafficking; and

"(2) such funds are used for assistance for countries that have taken significant steps to halt illicit drug production or trafficking.

"SEC. 4304. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE.

"Narcotics-related assistance under title I or chapter 1 or chapter 2 of title V may be provided notwithstanding any provision of law that restricts assistance to foreign countries (other than section 4402) if, at least 15 days before obligating funds for such assistance, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"CHAPTER 4—REPORTS AND ANNUAL CERTIFICATION PROCESS

"SEC. 4401. REPORTING REQUIREMENTS FOR FISCAL YEARS 1992 AND 1993.

"(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT.—Not later than March 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a comprehensive report with respect to all countries which are members of the United Nations—

"(1) on the state of international narcotics production and trafficking, money-laundering, and precursor chemical control; and

"(2) on United States efforts to prevent—

"(A) the illicit cultivation and manufacture of and trafficking in narcotic and psychotropic drugs and other controlled substances,

"(B) the diversion of precursor chemicals, and

"(C) money laundering.

"(b) CONTENTS OF REPORT.—Each report pursuant to subsection (a) shall include the following:

"(1) For each country that is a member of the United Nations, a report on the matters identified in section 4402(b)(2).

"(2)(A) A description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including the status of negotiations between the United States and other countries on updated extradition treaties, mutual legal assistance treaties, precursor chemical controls, money laundering, and agreements pursuant to section 2015 of the International Narcotics Act of 1986 (relating to interdiction procedures for vessels of foreign registry).

"(B) Information on multilateral and bilateral strategies with respect to money laundering pursued by the Department of State, the Department of Justice, the Department of the Treasury, and other relevant United States Government agencies, either collectively or individually, to ensure the cooperation of foreign governments with respect to narcotics-related money laundering and to demonstrate that all United States Government agencies are pursuing a common strategy with respect to major money laundering countries.

"(3) The identity of those countries which are—

"(A) major illicit drug producing countries or major drug-transit countries as determined under section 4403,

"(B) the significant direct or indirect sources of narcotics and psychotropic drugs and other controlled substances significantly affecting the United States,

"(C) major sources of precursor chemicals used in the production of illicit narcotics, or

"(D) major money laundering countries.

"(4) In addition, for each country identified pursuant to paragraph (3), the following:

"(A) A description of the plans, programs, and timetables adopted by such country, including efforts to meet the objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with those plans.

"(B) Whether as a matter of government policy, such country encourages or facilitates the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions; and whether any senior official of the government of such country engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

"(5) In addition, for each country identified pursuant to paragraph (3)(A) or (3)(B), a detailed status report, with such information as can be reliably obtained, on the narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported through such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

"(6) In addition, for those countries identified pursuant to paragraph (3)(C)—

"(A) which countries are parties to international agreements on a method for maintaining records of transactions of an established list of precursor and essential chemicals;

"(B) which countries have established a procedure by which such records may be made available to United States law enforcement authorities; and

"(C) which countries have enacted national chemical control legislation which would impose specific recordkeeping and reporting requirements for listed chemicals, establish a system of permits or declarations for imports and exports of listed chemicals, and authorize government officials to seize or suspend shipments of listed chemicals.

"(7) In addition, for those countries identified pursuant to paragraph (3)(D)—

"(A) which countries have not reached agreement with the United States authorities on a mechanism for exchanging adequate records in connection with narcotics investigations and proceedings; and

"(B) which of the countries identified pursuant to subparagraph (A) are negotiating in good faith with the United States to establish such a record-exchange mechanism, or have adopted laws or regulations that ensure the availability to appropriate United States Government personnel of adequate records in connection with narcotics investigations and proceedings.

"(8) In addition, for each country identified pursuant to paragraph (3)(D), findings on the country's adoption of laws and regulations considered essential to prevent narcotics-related money laundering. Such findings shall include whether a country has—

"(A) criminalized narcotics money laundering;

"(B) required financial institutions to record large currency transactions at thresholds appropriate to that country's economic situation;

"(C) required financial institutions to report suspicious transactions;

"(D) established systems for identifying, tracing, freezing, seizing, and forfeiting narcotics-related assets;

"(E) enacted laws for the sharing of seized narcotics assets with other governments; and

"(F) cooperated when requested with appropriate law enforcement agencies of other governments investigating financial crimes related to narcotics.

The report shall also detail instances of refusals to cooperate with foreign governments, and any actions taken by the United States Government to address such obstacles, including the imposition of sanctions or penalties.

"(9) As used in this subsection—

"(A) the term 'precursor chemical' has the same meaning as the term 'listed chemical' has under paragraph (33) of section 102 of the Controlled Substances Act (21 U.S.C. 902(33)); and

"(B) the term 'major money laundering country' means a country whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking.

"(c) ANNUAL REPORTS ON ASSISTANCE.—

"(1) IN GENERAL.—At the time that the report required by subsection (a) is submitted each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance provided or proposed to be provided by the United States Government during the preceding fiscal year, the current fiscal year, and the next fiscal year to support international efforts to combat illicit narcotics production or trafficking.

"(2) INFORMATION TO BE INCLUDED.—Each report pursuant to this subsection shall—

"(A) specify the amount and nature of the assistance provided or to be provided;

"(B) include, for each country identified in subsection (b)(3)(A), information from the Drug Enforcement Administration, the Customs Service, and the Coast Guard describing in detail—

"(i) the assistance provided or to be provided to such country by that agency, and

"(ii) the assistance provided or to be provided to that agency by such country,

with respect to narcotic control efforts during the preceding fiscal year, the current fiscal year, and the next fiscal year; and

"(C) list all transfers, which were made by the United States Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the United States Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

"(3) REPORTS MAY BE CLASSIFIED.—The reports required by this subsection may be provided on a classified basis to the extent necessary.

"(d) EFFECTIVE DATES OF SECTIONS.—This section only applies during fiscal years 1992 and 1993. Section 4401A does not apply during those fiscal years.

"SEC. 4401A. REPORTING REQUIREMENTS APPLICABLE AFTER SEPTEMBER 30, 1993.

"(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT.—

"(1) REQUIREMENT FOR REPORT.—Not later than March 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a report on United States policy to establish and encourage an international strategy to prevent the illicit cultivation and manufacture of and

traffic in narcotic and psychotropic drugs and other controlled substances.

"(2) CONTENTS.—Each report pursuant to this subsection shall include the following:

"(A) A description of the policies adopted, agreements concluded, and programs implemented by the Department of State in pursuit of its delegated responsibilities for international narcotics control, including policy development, bilateral and multilateral funding and other support for international narcotics control projects, representations of the United States Government to international organizations and agencies concerned with narcotics control, training of foreign enforcement personnel, coordination of the international narcotics control activities of United States Government agencies, and technical assistance to international demand reduction programs.

"(B) A description of the activities of the United States in international financial institutions to combat the entry of narcotic and psychotropic drugs and other controlled substances into the United States for the fiscal year just ended, for the current fiscal year, and for the next fiscal year.

"(C) The identity of those countries which are the significant direct or indirect sources of narcotic and psychotropic drugs and other controlled substances significantly affecting the United States. For each such country, each report shall include the following:

"(i) A detailed status report, with such information as can be reliably obtained, on the narcotic or psychotropic drugs or other controlled substances which are being cultivated, produced, or processed in or transported through such country, noting significant changes in conditions, such as increases or decreases in the illicit cultivation and manufacture of and traffic in such drugs and substances.

"(ii) A description of the assistance under this title and the other kinds of United States assistance which such country received in the preceding fiscal year, which are planned for such country for the current fiscal year, and which are proposed for such country for the next fiscal year, with an analysis of the impact that the furnishing of each such kind of assistance has had or is expected to have on the illicit cultivation and manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances in such country.

"(iii) A description of the plans, programs, and timetables adopted by such country for the progressive elimination of the illicit cultivation of narcotic and psychotropic drugs and other controlled substances, and a discussion of the adequacy of the legal and law enforcement measures taken and the accomplishments achieved in accord with these plans.

"(iv) A discussion of the extent to which such country has cooperated with United States narcotics control efforts through the extradition or prosecution of drug traffickers, and, where appropriate, a description of the status of negotiations with such country to negotiate a new or updated extradition treaty relating to narcotics offenses.

"(D) For each major illicit drug producing country for which the President is proposing to furnish United States assistance for the next fiscal year, a determination by the President of the maximum reductions in illicit drug production which are achievable during the next fiscal year. Each such determination shall be expressed in numerical terms, such as the number of acres of illicitly cultivated controlled substances which can be eradicated.

"(E) For each major illicit drug producing country which received United States assistance for the preceding fiscal year, the actual reductions in illicit drug production achieved by that country during such fiscal year.

"(F) Specific comments and recommendations by appropriate Federal agencies involved in drug enforcement, including the United States Customs Service and the Drug Enforcement Administration, with respect to the degree to which countries listed in the report have, during the preceding year, cooperated fully with such agencies (as described in section 4402A(b)).

"(G) A description of the United States assistance for the preceding fiscal year which was denied, pursuant to section 4402 or 4402A, to each major illicit drug producing country and each major drug-transit country.

"(b) MIDYEAR REPORT.—Not later than September 1 of each year, the President shall transmit to the Speaker of the House of Representatives, and to the Committee on Foreign Relations of the Senate, a complete and detailed midyear report on the activities and operations carried out under this title prior to such date. Such midyear report shall include the status of each agreement concluded prior to such date with other countries to carry out this title.

"(c) ANNUAL REPORTS ON ASSISTANCE.—

"(1) IN GENERAL.—At the time that the report required by subsection (a) is submitted each year, the Secretary of State, in consultation with appropriate United States Government agencies, shall report to the appropriate committees of the Congress on the assistance provided by the United States Government during the preceding fiscal year to support international efforts to combat illicit narcotics production or trafficking.

"(2) INFORMATION TO BE INCLUDED.—Each report pursuant to this subsection shall—

"(A) specify the amount and nature of the assistance provided;

"(B) include, for each country which is a significant direct or indirect source of narcotic and psychotropic drugs and other controlled substances significantly affecting the United States, a section prepared by the Drug Enforcement Administration, a section prepared by the Customs Service, and a section prepared by the Coast Guard, which describes in detail—

"(i) the assistance provided or to be provided (as the case may be) to such country by that agency, and

"(ii) the assistance provided or to be provided (as the case may be) to that agency by such country,

with respect to narcotic control efforts during the preceding fiscal year, the current fiscal year, and the next fiscal year; and

"(C) list all transfers, which were made by the United States Government during the preceding fiscal year, to a foreign country for narcotics control purposes of any property seized by or otherwise forfeited to the United States Government in connection with narcotics-related activity, including an estimate of the fair market value and physical condition of each item of property transferred.

"(3) REPORTS MAY BE CLASSIFIED.—The reports required by this subsection may be provided on a classified basis to the extent necessary.

"SEC. 4402. ANNUAL CERTIFICATION PROCEDURES FOR FISCAL YEARS 1992 AND 1993.

"(a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION TO MULTILATERAL DEVELOPMENT ASSISTANCE.—

"(1) BILATERAL ASSISTANCE.—

"(A) IN GENERAL.—Fifty percent of the United States assistance allocated each fiscal year in the report required by section 6303 for each major illicit drug producing country or major drug-transit country (as determined under section 4403) shall be withheld from obligation and expenditure, except as provided in subparagraph (B) and subsection (b).

"(B) WAIVER.—Subparagraph (A) shall not apply with respect to a country if the President determines that its application to that country would be contrary to the national interest of the United States, except that any such determination shall not take effect until at least 15 days after the President submits written notification of that determination to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

"(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the United States Executive Director of the International Development Association, the United States Executive Director of the Inter-American Development Bank, and the United States Executive Director of the Asian Development Bank to vote, on and after March 1 of each year, against any loan or other utilization of the funds of their respective institution to or for any major illicit drug producing country or major drug-transit country, except as provided in subsection (b).

"(b) CERTIFICATION PROCEDURES.—

"(1) WHAT MUST BE CERTIFIED.—Subject to subsection (d), the assistance withheld from a country pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the submission of the report required by section 4401(a), that—

"(A) during the previous year the country has cooperated with the United States, or has taken adequate steps on its own, to achieve full compliance with the goals and objectives established by the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988; or

"(B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld pursuant to subsection (a)(1) be provided and that the United States not vote against multilateral development bank assistance for that country pursuant to subsection (a)(2).

"(2) CONSIDERATIONS REGARDING COOPERATION.—In making the determination described in paragraph (1)(A), the President shall consider the extent to which the country has—

"(A) met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, including action on such issues as illicit cultivation, production, distribution, sale, transport, and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction;

"(B) accomplished the goals described in an applicable bilateral narcotics agreement with the United States or a multilateral agreement; and

"(C) taken legal and law enforcement measures to prevent and punish public corruption, especially by senior government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

"(3) INFORMATION TO BE INCLUDED IN NATIONAL INTEREST CERTIFICATION.—If the President makes a certification with respect to a country pursuant to paragraph (1)(B), the President shall include in such certification—

"(A) a full and complete description of the vital national interests placed at risk if United States bilateral assistance to that country is terminated pursuant to this section and multilateral development bank assistance is not provided to such country; and

"(B) a statement weighing the risk described in subparagraph (A) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

"(c) LICIT OPIUM PRODUCING COUNTRIES.—The President may make a certification under subsection (b)(1)(A) with respect to a major illicit drug producing country, or major drug-transit country, that is a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

"(d) CONGRESSIONAL REVIEW.—Subsection (e) shall apply if, within 30 days of continuous session (within the meaning of section 601(b)(1) of the International Security Assistance and Arms Export Control Act of 1976) after receipt of a certification submitted under subsection (b) at the time of submission of the report required by section 4401(a), the Congress enacts a joint resolution disapproving the determination of the President contained in such certification.

"(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.—If the President does not make a certification under subsection (b) with respect to a country or the Congress enacts a joint resolution disapproving such certification, then until such time as the conditions specified in subsection (f) are satisfied—

"(1) funds may not be obligated for United States assistance for that country, and funds previously obligated for United States assistance for that country may not be expended for the purpose of providing assistance for that country; and

"(2) the requirement to vote against multilateral development bank assistance pursuant to subsection (a)(2) shall apply with respect to that country, without regard to the date specified in that subsection.

"(f) RECERTIFICATION.—Subsection (e) shall apply to a country described in that subsection until—

"(1) the President, at the time of submission of the report required by section 4401(a), makes a certification under subsection (b)(1)(A) or (B) with respect to that country, and the Congress does not enact a joint resolution under subsection (d) disapproving the determination of the President contained in that certification; or

"(2) the President, at any other time, makes a certification under subsection (b)(1)(B) with respect to that country.

"(g) CONGRESSIONAL REVIEW PROCEDURES.—

"(1) SENATE.—Any joint resolution under this section shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(2) HOUSE OF REPRESENTATIVES.—For the purpose of expediting the consideration and enactment of joint resolutions under this section, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(h) EFFECTIVE DATES OF SECTIONS.—This section only applies during fiscal years 1992 and 1993. Section 4402A does not apply during those fiscal years.

"SEC. 4402A. ANNUAL CERTIFICATION PROCEDURES AFTER SEPTEMBER 30, 1993.

"(a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION TO MULTILATERAL DEVELOPMENT ASSISTANCE.—

"(1) BILATERAL ASSISTANCE.—Fifty percent of the United States assistance allocated each fiscal year in the report required by section 6303 for each major illicit drug producing country or major drug-transit country shall be withheld from obligation and expenditure, except as provided in subsection (b).

"(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the United States Executive Director of the International Development Association, the United States Executive Director of the Inter-American Development Bank, and the United States Executive Director of the Asian Development Bank to vote, on and after March 1 of each year, against any loan or other utilization of the funds of their respective institution to or for any major illicit drug producing country or major drug-transit country, except as provided in subsection (b).

"(b) CERTIFICATION PROCEDURE.—

"(1) WHAT MUST BE CERTIFIED.—Subject to subsection (d), the assistance withheld from a country pursuant to subsection (a)(1) may be obligated and expended, and the requirement of subsection (a)(2) to vote against multilateral development bank assistance to a country shall not apply, if the President determines and certifies to the Congress, at the time of the submission of the report required by section 4401A(a), that—

"(A) during the previous year the country has cooperated fully with the United States, or has taken adequate steps on its own—

"(i) in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States (as described in paragraph (2)) or a multilateral agreement which achieves the objectives of paragraph (2),

"(ii) in preventing narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States,

"(iii) in preventing and punishing the laundering in that country of drug-related profits or drug-related moneys, and

"(iv) in preventing and punishing bribery and other forms of public corruption which facilitate the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts; or

"(B) for a country that would not otherwise qualify for certification under subparagraph (A), the vital national interests of the United States require that the assistance withheld pursuant to subsection (a)(1) be provided and that the United States not vote against multilateral development bank assistance for that country pursuant to subsection (a)(2).

"(2) BILATERAL NARCOTICS AGREEMENT.—A bilateral narcotics agreement referred to in paragraph (1)(A)(i) is an agreement between the United States and a foreign country in which the foreign country agrees to take specific activities, including, where applicable, efforts to—

"(A) reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution;

"(B) increase drug interdiction and enforcement;

"(C) increase drug treatment;

"(D) increase the identification of and elimination of illicit drug laboratories;

"(E) increase the identification of, and elimination of trafficking in, essential precursor chemicals for use in the illicit production of narcotic and psychotropic drugs and other controlled substances;

"(F) increase cooperation with United States drug enforcement officials; and

"(G) where applicable, increase participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.

"(3) REQUIREMENT FOR NARCOTICS AGREEMENT FOR CERTAIN COUNTRIES.—A country which in the previous year was designated as a major illicit drug producing country or a major drug-transit country may not be determined to be cooperating fully under paragraph (1)(A) unless it has in place a bilateral narcotics agreement with the United States or a multilateral agreement which achieves the objectives of paragraph (2).

"(4) INFORMATION TO BE INCLUDED IN CERTIFICATION.—If the President makes a certification with respect to a country pursuant to paragraph (1)(B), the President shall include in such certification—

"(A) a full and complete description of the vital national interests placed at risk if United States bilateral assistance to that country is terminated pursuant to this section and multilateral development bank assistance is not provided to such country; and

"(B) a statement weighing the risk described in subparagraph (A) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

"(5) LICIT OPIUM PRODUCING COUNTRIES.—The President may make a certification under paragraph (1)(A) with respect to a major illicit drug producing country, or major drug-transit country, that is a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

"(c) MATTERS TO BE CONSIDERED.—In determining whether to make the certification required by subsection (b) with respect to a country, the President shall consider the following:

"(1) Have the actions of the government of that country resulted in the maximum re-

ductions in illicit drug production which were determined to be achievable pursuant to section 4401A(a)(2)(D)? In the case of a major illicit drug producing country, the President shall give foremost consideration, in determining whether to make the determination required by subsection (b)(1)(A), to whether the government of that country has taken actions which have resulted in such reductions.

"(2) Has that government taken the legal and law enforcement measures to enforce in its territory, to the maximum extent possible, the elimination of illicit cultivation and the suppression of illicit manufacturing of and trafficking in narcotic and psychotropic drugs and other controlled substances, as evidenced by seizures of such drugs and substances and of illicit laboratories and the arrest and prosecution of violators involved in the traffic in such drugs and substances significantly affecting the United States?

"(3) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, the laundering in that country of drug-related profits or drug-related moneys, as evidenced by—

"(A) the enactment and enforcement by that government of laws prohibiting such conduct,

"(B) that government entering into, and cooperating under the terms of, mutual legal assistance agreements with the United States governing (but not limited to) money laundering, and

"(C) the degree to which that government otherwise cooperates with United States law enforcement authorities on anti-money laundering efforts?

"(4) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts, as evidenced by the enactment and enforcement of laws prohibiting such conduct?

"(5) Has that government, as a matter of government policy, encouraged or facilitated the illicit production or distribution of narcotic and psychotropic drugs and other controlled substances?

"(6) Does any senior official of that government engage in, encourage, or facilitate the illicit production or distribution of narcotic and psychotropic drugs and other controlled substances?

"(7) Has that government investigated aggressively all cases in which any member of an agency of the United States Government engaged in drug enforcement activities has been the victim, since January 1, 1985, of acts or threats of violence, inflicted by or with the complicity of any law enforcement or other officer of such country or any political subdivision thereof, and energetically sought to bring the perpetrators of such offense or offenses to justice?

"(8) Having been requested to do so by the United States Government, does that government fail to provide reasonable cooperation to lawful activities of United States drug enforcement agents, including the refusal of permission to such agents engaged in interdiction of aerial smuggling into the United States to pursue suspected aerial smugglers a reasonable distance into the airspace of the requested country?

"(9) Has that government made necessary changes in legal codes in order to enable law enforcement officials to move more effectively against narcotics traffickers, such as new conspiracy laws and new asset seizure laws?

"(10) Has that government expeditiously processed United States extradition requests relating to narcotics trafficking?

"(11) Has that government refused to protect or give haven to any known drug traffickers, and has it expeditiously processed extradition requests relating to narcotics trafficking made by other countries?

"(d) CONGRESSIONAL REVIEW.—Subsection (e) shall apply if, within 45 days of continuous session (within the meaning of section 601(b)(1) of the International Security Assistance and Arms Export Control Act of 1976) after receipt of a certification under subsection (b), the Congress enacts a joint resolution disapproving the determination of the President contained in such certification.

"(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.—If the President does not make a certification under subsection (b) with respect to a country or the Congress enacts a joint resolution disapproving such certification, then until such time as the conditions specified in subsection (f)(1) are satisfied—

"(1) funds may not be obligated for United States assistance for that country, and funds previously obligated for United States assistance for that country may not be expended for the purpose of providing assistance for that country; and

"(2) the requirement to vote against multilateral development bank assistance pursuant to subsection (a)(2) shall apply with respect to that country, without regard to the date specified in that subsection.

"(f) RECERTIFICATION.—

"(1) TIME OF RECERTIFICATION; CONGRESSIONAL ACTION.—Subsection (e) shall apply to a country described in that subsection until—

"(A) the President makes a certification under subsection (b) with respect to that country, and the Congress does not enact a joint resolution under subsection (d) disapproving the determination of the President contained in that certification; or

"(B) the President submits, at any other time, a certification described in subparagraph (A) or (B) of subsection (b)(1) with respect to such country, and the Congress enacts a joint resolution approving the determination of the President contained in that certification.

"(2) CONGRESSIONAL REVIEW PROCEDURES.—(A) Any joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

"(B) For the purpose of expediting the consideration and enactment of joint resolutions under this subsection, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"SEC. 4403. DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT DRUG PRODUCING COUNTRIES FOR FISCAL YEARS 1992 AND 1993.

"(a) REPORTING OF DETERMINATIONS.—Not later than October 1 of each year, the President shall notify the appropriate committees of the Congress of which countries have been determined to be major drug-transit countries, and which countries have been determined to be major illicit drug producing countries, for purposes of this Act.

"(b) EFFECTIVE DATES OF SECTIONS.—This section only applies during fiscal years 1992 and 1993. Section 4403A, and the definitions provided in section 7601(e) (2) and (3), do not apply during those fiscal years.

"SEC. 4403A. DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT DRUG PRODUCING COUNTRIES AFTER SEPTEMBER 30, 1993.

"(a) ESTABLISHMENT OF GUIDELINES.—For each calendar year, the Secretary of State, after consultation with the appropriate committees of the Congress, shall establish numerical standards and other guidelines for determining which countries will be considered to be major drug-transit countries under section 7601(e)(3) (A) and (B).

"(b) NOTICE TO CONGRESS OF PRELIMINARY STANDARDS.—Not later than September 1 of each year, the Secretary of State shall make a preliminary determination of the numerical standards and other guidelines to be used pursuant to subsection (a) with respect to that year and shall notify the appropriate committees of the Congress of those standards and guidelines.

"(c) NOTICE TO CONGRESS OF PRELIMINARY DETERMINATIONS.—Not later than October 1 of each year, the Secretary of State shall notify the appropriate committees of the Congress of—

"(1) which countries have been determined to be major drug-transit countries for that year under the numerical standards and other guidelines developed pursuant to this subsection; and

"(2) which countries have been determined to be major illicit drug producing countries for that year.

"SEC. 4404. STATUTORY REFERENCES.

"After September 30, 1993, any reference in this or any other Act to section 4401, 4402, or 4403 (other than references within those sections) shall be deemed to be a reference to section 4401A, 4402A, or 4403A, respectively.

"CHAPTER 5—MISCELLANEOUS PROVISIONS

"SEC. 4501. PARTICIPATION IN FOREIGN POLICE ACTIONS.

"(a) PROHIBITION ON EFFECTING AN ARREST.—No officer or employee of the United States may directly effect an arrest in any foreign country as part of any foreign police action with respect to narcotics control efforts, notwithstanding any other provision of law.

"(b) PARTICIPATION IN ARREST ACTIONS.—Subsection (a) does not prohibit an officer or employee of the United States, with the approval of the United States chief of mission, from being present when foreign officers are effecting an arrest or from assisting foreign officers who are effecting an arrest.

"(c) EXCEPTION FOR EXIGENT, THREATENING CIRCUMSTANCES.—Subsection (a) does not prohibit an officer or employee from taking direct action to protect life or safety if exigent circumstances arise which are unanticipated and which pose an immediate threat to United States officers or employees, officers or employees of a foreign government, or members of the public.

"(d) EXCEPTION FOR MARITIME LAW ENFORCEMENT.—With the agreement of a foreign country, subsection (a) does not apply with respect to maritime law enforcement operations in the territorial sea or archipelagic waters of that country.

"(e) INTERROGATIONS.—No officer or employee of the United States may interrogate or be present during the interrogation of any United States person arrested in any foreign country with respect to narcotics control ef-

forts without the written consent of such person.

"(f) EXCEPTION FOR STATUS OF FORCES ARRANGEMENTS.—This section does not apply to the activities of the United States Armed Forces in carrying out their responsibilities under applicable Status of Forces arrangements.".

SEC. 402. EXEMPTION OF NARCOTICS-RELATED MILITARY ASSISTANCE FOR FISCAL YEARS 1992 AND 1993 FROM PROHIBITION ON ASSISTANCE FOR LAW ENFORCEMENT AGENCIES.

(a) EXEMPTION.—For fiscal years 1992 and 1993, section 6202 of the Foreign Assistance Act of 1961 shall not apply with respect to—

(1) transfers of excess defense articles under section 2302 of that Act;

(2) foreign military financing assistance that is provided for narcotics-related purposes; or

(3) international military education and training that is provided for narcotics-related purposes.

(b) NOTIFICATION TO CONGRESS.—At least 15 days before any transfer under subsection (a)(1) or any obligation of funds under subsection (a)(2) or (a)(3), the President shall notify the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

(c) COORDINATION WITH INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAM.—Assistance provided pursuant to this section shall be coordinated with international narcotics control assistance.

SEC. 403. EXPORT-IMPORT BANK FINANCING OF ANTINARCOTICS-RELATED SALES OF DEFENSE ARTICLES OR SERVICES.

Section 2(b)(6)(B)(vi) of the Export-Import Bank Act of 1945 is amended by striking out "1992" and insert in lieu thereof "1994".

Mr. FEIGHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, title IV is the product of a very intensive committee review of current law and the executive branch request regarding a number of international narcotics control-related matters.

It attempts to streamline current law, give the executive branch the flexibility it requested where possible, but retain important principles about which the committee feels strongly.

The issues addressed in this title have been repeatedly reviewed by the committee's task force on international narcotics control and reflects a consensus between both majority and minority members on virtually all issues.

I would note that the executive branch requested a repeal or substantial modification of virtually all of the laws which the Foreign Affairs Committee has spent the past 10 years enacting. The committee could not and did not accept that proposal. However, I believe we have met the executive branch more than half-way in this legislation.

As a general rule, when the executive branch presented a defensible argument, the committee granted waivers of prohibitions in current law, with prior notice to the Congress. I would stress that the list of matters on which the President asked for and received increased flexibility in this title is extensive. It includes:

Authority to provide narcotics-related economic aid to countries who have been cut off from U.S. assistance for reasons unrelated to drug control, authority for the President to enter into reciprocal maritime agreements;

Authority for INM to acquire real property;

Authority to waive the prohibition on U.S. transferring title of drug control aircraft to foreign countries;

Authority for INM to acquire arms and ammunition for certain purposes;

Expands authority to provide excess defense articles for drug control purposes; and

Broader authority to provide aid to host country police from a variety of foreign aid accounts.

Some of these new authorities represent a change from longstanding committee-sponsored legislation, and reflect what we hope is a justified faith in the willingness of the executive branch to use these authorities judiciously. Although these changes are outlined in detail in the committee report on H.R. 2508, I wanted to highlight them at this time since these new authorities seem to have escaped the attention of the executive branch in its comments on this title.

The most significant change contained in this title, Mr. Chairman, is a change in the drug certification process. The executive branch request contained a repeal of this process. There was bipartisan opposition to this request.

However flawed the certification requirement may be, it remains the principal vehicle by which the Congress ensures that at least once a year narcotics control issues overseas receive intense scrutiny by the executive branch. The committee has fought long and hard to get the narcotics issue on the U.S. foreign policy agenda, and it intends to keep the issue there.

However, the committee also realizes that times have changed since the certification process was enacted in 1986.

So, in a spirit of cooperation, the committee has proposed a 2-year trial period under which the certification process would be modified. To address the executive branch's perceived need for increased flexibility, this title would:

Streamline current language in the law regarding the certification and INCSR process;

Give the President complete flexibility to determine which countries are included on the certification list;

Waive the current 50-percent aid withholding requirement if the President determines it is in the national interest and gives prior notice to Congress;

Reduce the congressional review period from 45 legislative days to 30 legislative days—as it was in the original certification law—and

Provide special waivers to address unique situations in decertified countries suddenly change.

The committee proposes to try this new approach for a 2-year period. At the end of that time, current law would again become applicable unless the new approach proves satisfactory.

In return for all of this increased flexibility, we have asked the President to do something which I believe few Members will find objectionable. We have asked that when the annual report on international narcotics control strategy is submitted, that it cover each country which is a member of the United Nations. I believe that this is an eminently reasonable and justified request, for the following reasons.

First, for over a decade, we have required such a report on human rights in every member country of the United Nations, and it has proved to be both an excellent reference document and an opportunity to put human rights on our foreign policy agenda at least once a year with every country, whether friend or foe. I believe our proposal would do the same for our narcotics control agenda. I believe that an issue which the President has determined to be our No. 1 peacetime priority deserves no less.

Second, until very recently, such a report was already required by the State Department for its internal use by all countries in which we have diplomatic representation.

Since at least 1978, the State Department required every diplomatic post overseas to report in detail—in fact, in greater detail than that contemplated under this legislation—on narcotics issues in their countries.

This was not a congressionally mandated report, it was a report imposed by the State Department on itself. The report was not shared with Congress. For reasons no one has been able to explain to me, sometime in the recent past the State Department stopped requiring this report.

All we are asking is that they reinstitute it, and share it with the Congress.

I would note that every overseas Embassy already has a designated narcotics coordinator, so this would constitute no additional personnel burden or management changes overseas to carry this out.

Third, the State Department's narcotics bureau [INM] provides aid in one form or another to over 100 countries in the world. If drug control issues are deemed important enough in a specific country, we provide narcotics control aid. It shouldn't be too much to ask to get an annual report on how this money is being spent and whether any progress is being made.

Fourth, one of the things we have learned over the years is that the scourge of narcotics is penetrating virtually every country in the world, often in unexpected ways. To the extent that we try in our policy to be pro-active, to identify problems before they reach crisis proportions, it behooves us to look at this problem in each country in the world once a year before today's Botswana becomes tomorrow's Bolivia.

The executive branch appears to believe this proposal is onerous.

We have done our best to meet their concerns:

We have deleted from current law a provision requiring a mid-year update of the annual drug report.

We have moved the reporting and certification date from March 1 to April 1, to provide more time to prepare this report.

We have made clear in report language that we do not expect the same breadth or depth of reporting on, say, Cape Verde that we do on Colombia.

Yet the State Department continues to oppose this proposal, claiming variously that expanded reporting would dilute attention from countries that should be focused on, would reduce the Assistant Secretary's impact on the report, that INM does not have the personnel or resources to carry out this mission, and that clearing the expanded report through several different U.S. Government agencies requires too much time and effort.

I do not believe we diluted the importance of the human rights report when we voted more than a decade ago to include the Soviet Union, Eastern Europe, and other countries in that report in addition to countries receiving United States aid.

I do not believe that Assistant Secretary Schifter, who states in this year's human rights report that "in calling upon the Department of State to prepare these reports, Congress has created a useful instrument for advancing the cause of human rights," would say that being required to report on every country's human rights record somehow lessens his personal interest in and impact on that report.

I do not believe that INM, with twice the number of employees as the Human Rights Bureau and a budget that is scheduled to increase by 14 percent for fiscal year 1992 on top of a budget that has tripled since 1985, is incapable of finding the resources to collate and provide to the Congress drug reporting by our Embassies around the world.

Finally, I do not believe that our President and our Director of the Office of National Drug Control Policy, who are committed to fighting the scourge of drugs on every front, cannot convince whatever U.S. agencies are involved to cooperate in a timely fashion to produce this modest change.

I urge all Members to support this provision, and I urge the executive branch to reassess its position on this issue.

Mr. GILMAN. Mr. Chairman, I move to strike the last word.

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

Mr. GILMAN. Mr. Chairman, I strongly support title IV and related international narcotics control provisions in H.R. 2508. I have been closely involved with legislation on international narcotics issues for over a decade and I believe this package is a significant step forward in our efforts. The international narcotics control provisions strike just the right balance between granting administration flexibility and maintaining congressional oversight, and between streamlining congressional requirements and highlighting Members' concerns.

The gentleman from Ohio [Mr. FEIGHAN], the distinguished chairman of our Committee on Foreign Affairs' Task Force on International Narcotics Control, has done an outstanding job of shepherding this comprehensive rewrite of our narcotics control assistance legislation through the process from administration request to markup to the floor today. At each and every step, minority concerns were addressed seriously and substantively. I was reluctant to change current law with regard to a number of issues for the simple reason that there are legitimate concerns behind each provision in current law. Chairman FEIGHAN worked long and hard to achieve consensus. The result is the bill before us today which deserves the full support of Members on both sides of the aisle.

Title IV goes a long way to grant the administration the flexibility it states is needed to improve our international counternarcotics efforts. On the side of granting flexibility, H.R. 2508 allows INM to procure weapons and property, grant aircraft title and provide more types of assistance in more circumstances. With regard to oversight, the bill ensures that the kind of consultation promised by the administration will occur through notifications on issue of the greatest sensitivity. H.R. 2508 retains prohibitions on aid to drug traffickers and direct payments to coca farmers and also retains a number of amendments I have authored over the years on shipboarding agreements, narcotics and development, AID and USIA counternarcotics reporting, and reducing illicit cultivation in Afghanistan.

I believe the greatest advance in this bill—and it is truly historic—is the linkage of certification to a multilateral document and the geographical and topical expansion of the annual "International Narcotics Control Strategy Report," the INCSR. The bill greatly streamlines the certification process by replacing the 15 or more issues for consideration in current law with references to the 1988 United Nations Convention, and to the only two issues not addressed fully in that landmark document: corruption and performance standards in an applicable bilateral narcotics agreement. H.R. 2508 also expands the INCSR to address every country in the world and places special emphasis on production, transit, money laundering, and precursor chemical diversion.

Mr. Chairman, I have long argued that the scourge of narcotics is a global problem and can only be addressed through effective international cooperation. I first coauthored the Rangel-Gilman-Hawkins amendment in 1983 which called for a U.N. report card on nations' anti-drug efforts. The legislation before us is the logical follow-on from that approach and it recognizes the historic importance of the 1988 U.N. Convention. And because virtually no country in the world is unaffected by the traffic in illicit drugs, it is reasonable for us to have information on every country in the world, just as we do in the annual human rights report.

The administration has argued that the expanded INCSR reporting requirement places too much burden on those who prepare the report and that it is not feasible or desirable to address narcotics developments in all countries of the world. To meet some of these concerns, we have changed the date for the narcotics report from March 1 to April 1, effectively increasing the report preparation time by 40 percent. Our flexibility to modify the date for submitting the report—and to continue to work with the administration on this provision—shows we are willing to work cooperatively. H.R. 2508 provides a significant increase in INM's budget, although the Appropriations Committee has not yet met our authorized level. If there is a genuine lack of resources for INM to collate reports from the field for an expanded INCSR, I will be the first to fight for further increases in funding.

Finally, on the changes made to the provisions in title VII on the Andean Initiative, I believe we have reached an agreement satisfactory to all parties. Though H.R. 2508 departs substantially from the compromise we reached last year in the 1990 International Narcotics Control Act by lowering the ceilings of police and military aid, I am comfortable with the overall numbers.

Mr. Chairman, I believe we have an excellent anti-drug package before us. I would like to thank Chairman FEIGHAN once again for his leadership on this issue and look forward to working with him to bring about enactment of this legislation.

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The CHAIRMAN pro tempore. (Mr. MONTGOMERY). Are there any amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—SPECIAL ASSISTANCE INITIATIVES AND OTHER REGION OR COUNTRY SPECIFIC PROVISIONS

SEC. 501. SPECIAL INITIATIVES AND PROVISIONS.

The Foreign Assistance Act of 1961 is amended by inserting after title IV, as added by title IV of this Act, the following:

"TITLE V—SPECIAL ASSISTANCE INITIATIVES AND OTHER REGION OR COUNTRY SPECIFIC PROVISIONS

"CHAPTER 1—LONG-TERM DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICA

"SEC. 5101. DEVELOPMENT FUND FOR AFRICA.

"(a) FINDINGS.—The Congress finds that—

"(1) drought and famine have caused countless deaths and untold suffering among the people of sub-Saharan Africa;

"(2) drought and famine in combination with other factors such as desertification, government neglect of the agricultural sector, and inappropriate economic policies have severely affected long-term development in sub-Saharan Africa; and

"(3) the most cost-effective and efficient way of overcoming Africa's vulnerability to drought and famine is to address Africa's long-term development needs through a process that builds upon the needs and capabilities of the African people, promotes sustained and equitable economic growth, preserves the environment, and protects the rights of the individual.

"(b) AUTHORITY TO FURNISH ASSISTANCE.—The President is authorized to furnish project and program assistance, on such terms and conditions as he may determine in accordance with the policies contained in this section, for long-term development in sub-Saharan Africa.

"(c) PURPOSE OF ASSISTANCE.—

"(1) PURPOSE.—The purpose of assistance under this section shall be to help the poor majority of men and women in sub-Saharan Africa to participate in a process of long-term development through economic growth that is equitable, participatory, environmentally sustainable, and self-reliant.

"(2) USE OF ASSISTANCE TO ENCOURAGE PRIVATE SECTOR DEVELOPMENT.—Assistance under this section should, in a manner consistent with paragraph (1), be used to promote sustained economic growth, encourage private sector development, promote individual initiatives, and help to reduce the role of central governments in areas more appropriate for the private sector.

"(d) APPLICATION OF DEVELOPMENT ASSISTANCE GENERAL AUTHORITIES AND POLICIES.—Except to the extent inconsistent with this section—

"(1) any reference in any law to chapter 2 of title I or to development assistance shall be deemed to include a reference to this chapter and assistance under this section, and any reference in any law to title I of this Act shall be deemed to include a reference to this chapter; and

"(2) assistance under this section shall be provided consistent with the four basic objectives set forth in section 1102.

"(e) PRIVATE VOLUNTARY ORGANIZATIONS.—

"(1) CONSULTATION TO ENSURE LOCAL PERSPECTIVES.—The administering agency shall take into account the local-level perspectives of the rural and urban poor in sub-Saharan Africa, including women, during the planning process for project and program assistance under this section. In order to gain that perspective the administering agency should consult closely with African, United States, and other private voluntary organizations that have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in sub-Saharan Africa as described in subsection (c).

"(2) DEFINITION OF PRIVATE VOLUNTARY ORGANIZATIONS.—For purposes of this section, the term 'private voluntary organization' includes (in addition to entities traditionally considered to be private voluntary organizations) cooperatives, credit unions, trade unions, women's groups, nonprofit development research institutions, and indigenous local organizations, which are private and nonprofit.

"(f) LOCAL INVOLVEMENT IN PROJECT IMPLEMENTATION.—Local people, including women, shall be closely consulted and involved in the implementation of every project under this section which has a local focus.

"(g) PARTICIPATION OF AFRICAN WOMEN.—The administering agency shall ensure that development activities assisted under this section incorporate a significant expansion of the participation (including decisionmaking) and integration of African women in each of the critical sectors described in subsection (i).

"(h) TYPES OF ASSISTANCE.—

"(1) PROJECTS AND PROGRAMS TO ADDRESS CRITICAL SECTORAL PRIORITIES.—Assistance under this section shall emphasize primarily projects and programs to address critical sectoral priorities for long-term development described in subsection (i).

"(2) REFORM OF ECONOMIC POLICIES.—

"(A) USE OF PROGRAM ASSISTANCE.—Assistance under this section may also include program assistance to promote reform of sectoral economic policies affecting long-term development in sub-Saharan Africa as described in subsection (c), with primary emphasis on reform of economic policies to support the critical sectoral priorities described in subsection (i).

"(B) PROTECTION OF VULNERABLE GROUPS.—Assisted policy reforms shall also include provisions to protect vulnerable groups (especially poor, isolated, and female farmers, the urban poor, and children including displaced children) and long-term environmental interests from possible negative consequences of the reforms.

"(3) OTHER ASSISTANCE.—Funds made available to carry out this section shall be used almost exclusively for assistance in accordance with paragraphs (1) and (2). Assistance consistent with the purpose of subsection (c) may also be furnished under this section to carry out the provisions of chapter 2 of title I.

"(i) CRITICAL SECTORAL PRIORITIES.—The critical sectoral priorities for long-term development, as described in subsection (c), are the following:

"(1) AGRICULTURAL PRODUCTION AND NATURAL RESOURCES.—

"(A) AGRICULTURAL PRODUCTION.—Increasing agricultural production in ways which protect and restore the natural resource base, especially food production, through agricultural policy changes, agricultural research (including participatory research directly involving small farmers) and extension, development and promotion of agriculture marketing activities, credit facilities, and appropriate production packages, and the construction and improvement of needed production-related infrastructure such as farm-to-market roads, small-scale irrigation, and rural electrification. Within this process, emphasis shall be given to promoting increased equity in rural income distribution, recognizing the role of small farmers.

"(B) NATURAL RESOURCE BASE.—Maintaining and restoring the renewable natural resource base primarily in ways which increase agricultural production, through the following:

"(i) Small-scale, affordable, resource-conserving, low-risk local projects, using appropriate technologies (including traditional agricultural methods) suited to local environmental, resource, and climatic conditions, and featuring close consultation with and involvement of local people at all stages of project design and implementation. Emphasis shall be given to grants for African local government organizations, international or African nongovernmental organizations, and United States private voluntary organizations.

"(ii) Support for efforts at national and regional levels to provide technical and other support for projects of the kinds described in clause (i) and to strengthen the capacities of African countries to provide effective extension and other services in support of environmentally sustainable increases in food production.

"(iii) Support for special training and education efforts to improve the capacity of countries in sub-Saharan Africa to manage their own environments and natural resources.

"(iv) Support for low-cost desalination activities in order to increase the availability of fresh water sources in sub-Saharan Africa.

"(2) HEALTH AND AIDS PREVENTION.—

"(A) HEALTH.—Improving health conditions, with special emphasis on meeting the health needs of mothers and children (including displaced children) through the establishment of primary health care systems that give priority to preventive health and that will be ultimately self-sustaining.

"(B) ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS).—Preventing and controlling the spread of acquired immune deficiency syndrome (AIDS), with a special emphasis on community-based education programs focused on changing attitudes and behavior.

"(3) VOLUNTARY FAMILY PLANNING SERVICES.—Providing increased access to voluntary family planning services, including encouragement of private, community, and local government initiatives.

"(4) EDUCATION.—Improving the relevance, equity, and efficiency of education, with special emphasis on improving primary education.

"(5) INCOME-GENERATING OPPORTUNITIES.—Developing income-generating opportunities for the unemployed and underemployed in urban and rural areas through, among other things, support for off-farm employment opportunities in micro- and small-scale labor-intensive enterprises.

"(j) MINIMUM LEVEL OF ASSISTANCE FOR CERTAIN CRITICAL SECTORS.—The administering agency should target the equivalent of the following percentages of the amount appropriated for each fiscal year to carry out this chapter for the following activities:

"(1) NATURAL RESOURCE BASE.—Ten percent for activities described in subsection (i)(1)(B), including identifiable components of agricultural production projects.

"(2) HEALTH.—Ten percent for activities described in subsection (i)(2)(A).

"(3) AIDS PREVENTION AND CONTROL.—Five percent for activities described in subsection

(i)(2)(B). In determining compliance with this paragraph, funds provided through international organizations shall be excluded.

"(4) VOLUNTARY FAMILY PLANNING SERVICES.—Ten percent for activities described in subsection (i)(3).

"(k) EFFECTIVE USE OF ASSISTANCE.—Assistance provided under this section shall be concentrated in countries which will make the most effective use of such assistance in order to fulfill the purpose specified in subsection (c), especially those countries (including those of the Sahel region) having the greatest need for outside assistance.

"(l) PROMOTION OF REGIONAL INTEGRATION.—Assistance under this section shall, to the extent consistent with this section, include assistance to promote the regional and subregional integration of African production structures, markets, and infrastructure.

"(m) DONOR COORDINATION MECHANISM.—Funds made available to carry out this section may be used to assist the governments of countries in sub-Saharan Africa to increase their capacity to participate effectively in donor coordination mechanisms at the country, regional, and sector levels.

"(n) RELATION TO OTHER AUTHORITIES.—

"(1) ASSISTANCE UNDER OTHER AUTHORITIES.—The authority granted by this section to provide assistance for long-term development in sub-Saharan Africa is not intended to preclude the use of other authorities for that purpose. Centrally funded programs which benefit sub-Saharan Africa shall continue to be funded under subchapter A of chapter 2 of title I of this Act.

"(2) TRANSFER AUTHORITIES.—The transfer authority contained in section 6101 of this Act may not be used to transfer funds made available to carry out this section in order to allow them to be used in carrying out any other provision of this Act.

"(3) REPROGRAMMING NOTIFICATIONS.—Section 6304 of this Act does not apply with respect to funds made available to carry out this section.

"(4) PROCUREMENT OF GOODS AND SERVICES.—In order to allow the assistance authorized by this section to be furnished as effectively and expeditiously as possible, 7402 of this Act, and similar provisions relating to the procurement of goods and services, shall not apply with respect to goods and services procured for use in carrying out this section. The exemption provided by this paragraph shall not be construed to apply to the Comprehensive Anti-Apartheid Act of 1986.

"(o) EVALUATIONS.—It is the sense of the Congress that there should be periodic evaluations of the progress of the administering agency in achieving the purpose specified in subsection (c).

"SEC. 5102. SUPPORT FOR SADCC PROJECTS.

"(a) AUTHORITY TO PROVIDE ASSISTANCE.—To the extent funds are provided for such purpose in the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act, funds made available to carry out this chapter may be used to assist sector projects, in the sectors specified in subsection (b), that are supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the member states forming that regional institution.

"(b) SECTORS.—The sectors with respect to which assistance may be provided under this section are the following: transportation; manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives).

"(c) RELATION TO DFA POLICIES AND AUTHORITIES.—To the maximum extent feasible, the assistance authorized by this section shall be provided consistent with the policies and authorities contained in the section 5101.

"SEC. 5103. AUTHORIZATIONS OF APPROPRIATIONS FOR THE DEVELOPMENT FUND FOR AFRICA.

"(a) AUTHORIZATIONS.—There are authorized to be appropriated to carry out this chapter $1,000,000,000 for fiscal year 1992 and $1,200,000,000 for fiscal year 1993.

"(b) EXTENDED PERIOD OF AVAILABILITY FOR FUNDS.—It is the sense of the Congress that the authority of section 7302 of this Act should be used to extend the period of availability of funds appropriated to carry out this chapter whenever appropriate to improve the quality of assistance provided under section 5101.

"CHAPTER 2—MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

"SEC. 5201. FINDINGS AND STATEMENT OF POLICY.

"(a) FINDINGS.—The Congress makes the following findings:

"(1) The people of the Philippines and the people of the United States continue to enjoy a longstanding relationship of mutual respect and cooperation.

"(2) The return of democracy to the Philippines under the leadership of President Corazon Aquino has brought the Philippines and the United States closer together and offers an opportunity to the Philippines to again become an economic, social, and political leader in Southeast Asia.

"(3) The threat to democratic government in the Philippines from both the Communist insurgency and dissident elements in the Philippine military forces jeopardizes the efforts of the Government of the Philippines to broaden the participation of the people of the Philippines in the development of their country.

"(4) It is in the mutual interest of our two peoples that the Philippines be provided all possible assistance, including voluntary debt reduction programs under appropriate circumstances, in its efforts to redress the problems caused by economic deterioration and social inequity which have fueled the domestic insurgency.

"(5) The promotion of democracy and achievement of sustainable economic growth require a partnership among the Philippines, multilateral institutions, bilateral donors, and the private sector to help the Philippines restructure its economy and alleviate its debt service in order to achieve broadly based, self-sustaining growth and to improve the quality of life of the people of the Philippines.

"(6) Since its inauguration in Tokyo in July, 1989, the Multilateral Assistance Initiative for the Philippines has resulted in the pledging of more than $6,800,000,000 in assistance from 26 donor countries and organizations.

"(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

"(1) the United States should continue to participate with the multilateral financial institutions and other bilateral donors in a coordinated economic reform and development program, including voluntary debt reduction programs, in the Philippines; and

"(2) the commitment of resources by the United States, other bilateral donors, and the multilateral financial institutions and a reform effort and leadership role by the Government of the Philippines will continue to be necessary in order to ensure economic growth in the Philippines and enhanced participation of the people of the Philippines in the democratic process.

"SEC. 5202. ASSISTANCE.

"(a) AUTHORITY.—The President is authorized to provide assistance to carry out this chapter in order to promote the four basic objectives set forth in section 1102. Such assistance shall have as its ultimate objective, in conjunction with assistance provided by other donors, support of democracy in the Philippines, promotion of sustained economic growth led by the private sector, and improvement of living conditions for the people of the Philippines, and shall build upon the progress that the Government of the Philippines has made in the development and implementation of economic, structural, judicial, and administrative reforms.

"(b) PROGRESS OF REFORMS NECESSARY FOR PROVISION OF ASSISTANCE.—The provision of assistance under this chapter shall be linked to progress by the Government of the Philippines in the implementation of its economic, structural, judicial, and administrative reform program.

"(c) USES OF ASSISTANCE.—Assistance under this chapter may include support for—

"(1) economic, structural, and administrative reforms, and voluntary debt reduction programs, that are necessary to stimulate growth led by the private sector, import liberalization, export growth and diversification, and the privatization of enterprises owned or controlled by the government;

"(2) infrastructure needed by the private sector, particularly in rural areas;

"(3) strengthening the private sector, including promoting greater participation of the United States private sector in the development of the Philippines; and

"(4) such other programs as are consistent with the purposes of this chapter.

"SEC. 5203. REPORTS TO CONGRESS.

"(a) ANNUAL CONGRESSIONAL PRESENTATION DOCUMENTS.—The President shall submit congressional presentation documents regarding programs under this chapter on the same basis as the President submits such documents under this Act regarding development assistance and economic support assistance programs.

"(b) REPORT ON PROGRAMS FOR PREVIOUS FISCAL YEARS.—Within 60 days after the date of enactment of the International Cooperation Act of 1991, the President shall submit a report to the Congress on the accomplishments of programs carried out for fiscal years 1990 and 1991 to carry out the purposes of this chapter, as well as on the objectives of such programs for fiscal year 1992.

"(c) ANNUAL REPORT.—As soon as possible after the transmittal by the President of the Budget of the United States for each fiscal year beginning with fiscal year 1993, the President shall submit a report to the Congress on the progress made in carrying out this chapter. Such report shall include a review of—

"(1) the actions of the Government of the Philippines to achieve the objectives for which assistance under this chapter has been provided, including implementation of economic, structural, judicial, and administrative reforms;

"(2) the participation of other bilateral donors and multilateral financial institutions in the multilateral assistance program for

which assistance under this chapter is authorized, including the level of their assistance, and the effectiveness of efforts to coordinate assistance activities;

"(3) the progress being made toward the achievement of the objectives of this chapter and the obstacles to such achievement; and

"(4) the budget request for the relevant fiscal year.

"SEC. 5204. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this chapter, in addition to amounts otherwise available for such purposes, $1,000,000,000 (less amounts appropriated to carry out the purposes of this chapter for fiscal years 1990 and 1991), of which—

"(1) not more than $160,000,000 may be appropriated for fiscal year 1992; and

"(2) such sums as may be necessary are authorized to be appropriated for fiscal year 1993.

"SEC. 5205. APPROPRIATIONS IN FUTURE YEARS.

"It is the sense of the Congress that, before requesting the appropriation of additional amounts to carry out this chapter, the President should take into account the progress being made by the Government of the Philippines toward achieving the reform objectives of this chapter, the extent of financial and other participation of other bilateral donors and multilateral financial institutions, and efforts to coordinate the multilateral assistance program for which assistance under this chapter is authorized. Such considerations will be primary factors in decisions by the Congress to provide additional appropriations to carry out this chapter.

"SEC. 5206. DONOR COORDINATION.

"It is the sense of the Congress that critical to the success of the multilateral assistance program for which assistance under this chapter is authorized will be the ability of the bilateral donors, the multilateral financial institutions, and the Government of the Philippines to coordinate effectively their objectives and programs. It is further the sense of the Congress that all bilateral donors to this multilateral assistance program should take steps to simplify procurement and disbursement procedures and to ensure that any conditions on the provision or use of assistance are complementary, and that the Government of the Philippines should establish such internal procedures and processes as will ensure the most effective use of the resources provided by the bilateral donors and the multilateral financial institutions.

"SEC. 5207. ECONOMIC ASSISTANCE PROVISIONS.

"Except to the extent inconsistent with this chapter, assistance under this chapter shall be considered to be economic assistance under title I of this Act.

"CHAPTER 3—CARIBBEAN REGIONAL DEVELOPMENT

"SEC. 5301. SHORT TITLE.

"This chapter may be cited as the 'Caribbean Regional Development Act of 1991'.

"SEC. 5302. UNITED STATES POLICIES.

"(a) IN GENERAL.—It is the sense of the Congress that it should be the policy of the United States in providing development and other economic assistance to the Caribbean—

"(1) to help the poor to participate in the development of their societies through a process of equitable economic growth that enables them to increase their incomes and their access to productive resources and services, to protect and advance their rights, and to influence decisions that affect their lives;

"(2) to support development that is environmentally sustainable;

"(3) to promote Caribbean self-reliance by providing assistance to indigenous national and regional governmental and nongovernmental institutions that have the capacity or potential to carry out development programs effectively;

"(4) to support food production for national and regional consumption;

"(5) to promote the diversification of industrial and agricultural production, the development of new products, and the integration of agricultural production with the development of industry and tourism;

"(6) to help advance the process of regional economic integration; and

"(7) to preserve and reinforce traditional Caribbean culture and social values.

"(b) SUPPORTING INDIGENOUS DEMOCRATIC INSTITUTIONS.—Priority in providing development assistance to the Caribbean should be given to supporting indigenous democratic Caribbean institutions that represent, work with, and benefit the poor, and through which the poor participate in making the decisions that affect their lives and their development. Such assistance should be channeled, as appropriate, through United States institutions and Caribbean regional and national institutions that directly fund such democratic Caribbean institutions.

"SEC. 5303. PRIORITY AREAS FOR ASSISTANCE.

"To implement the policies set forth in section 5302, priority in the allocation of development assistance funds and the economic support assistance funds for the Caribbean, and in the allocation of the local currencies accruing as a result of the use of those funds, should be given to the following:

"(1) INCREASED FOOD PRODUCTION.—Support to national ministries of agriculture, the appropriate specialized agencies of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States, the Caribbean Development Bank, and indigenous nongovernmental organizations for efforts to achieve increased food production, as appropriate, through increased staple food production for domestic consumption, including support for—

"(A) the gathering of agricultural data;

"(B) the coordination of agricultural research;

"(C) the improvement of marketing, storage, and transportation systems;

"(D) the provision of credit to agricultural producers; and

"(E) improved coordination of regional planning for increased food production.

"(2) RURAL DEVELOPMENT.—Support for rural development efforts designed to increase rural employment opportunities, enhance the quality of rural life, and retard rural-to-urban migration, including programs that provide access to land and necessary assistance to small producers and cooperatives.

"(3) COMMUNITY-BASED AGRO-INDUSTRIES.—Support for locally owned cooperative and other small- and medium-scale industries engaged in the processing of indigenous resources, including support for the establishment of a marketing network to facilitate intraregional trade in food through programs that incorporate or serve small producers.

"(4) FINANCIAL RESOURCES FOR SMALL- AND MEDIUM-SIZED FARM AND MANUFACTURING ENTERPRISES.—Provision of financial resources to small- and medium-sized farm and manufacturing enterprises through—

"(A) the creation and capitalization of appropriate financial mechanisms; and

"(B) measures to encourage Caribbean commercial banks and credit unions to provide risk capital to such enterprises.

"(5) EXPANSION OF TOURISM.—Support for the expansion of tourism in the Caribbean through its fuller integration into the local economy, by providing assistance—

"(A) to appropriate governmental and nongovernmental regional organizations for the design and coordination of programs for—

"(i) the expansion of the use of local goods and services;

"(ii) the development and implementation of a marketing strategy for tourism in the Caribbean; and

"(iii) the promotion of investments in tourism integrated with the local economy; and

"(B) for training and utilizing local expertise in hotel and restaurant management and other necessary skills.

"(6) REGIONAL INTEGRATION.—Support for regional integration and institutions, including seeking the cooperation of other donor countries in promoting regional development in the Caribbean and including support for—

"(A) efforts to regionalize and coordinate activities and prevent the proliferation and duplication of regional bureaucracies;

"(B) the efforts of governmental and nongovernmental regional institutions to strengthen the infrastructure necessary to promote regional commercial activity and economic and social development;

"(C) regional research institutes; and

"(D) inter-island transportation and communication links, roads, and port facilities.

"(7) UPGRADING TECHNICAL AND MANAGERIAL SKILLS.—Support for efforts of the countries of the Caribbean to upgrade the technical and managerial skills of their people.

"(8) NATURAL RESOURCE BASE.—Promoting those small-scale, affordable, agricultural and industrial methods suited to local environmental, resource, and climatic conditions, and supporting such actions as the establishment of protected areas, the development of environmental curricula, and programs of public education and dialogue designed to sustain and enhance the renewable natural resource base of the Caribbean.

"(9) PRIVATE SECTOR DEVELOPMENT.—Support for the diversification and promotion of Caribbean exports, for investments in the Caribbean that are appropriate to the needs of each country and of the region, and for the strengthening of private sector institutions, that would continue to promote private sector-led growth through increased trade and investment and that recognizes each country's economic comparative advantage; and support for the strengthening of community-based enterprises that would promote economic growth that benefits the majority of the people of the region.

"(10) DEMOCRATIC DEVELOPMENT AND THE ADMINISTRATION OF JUSTICE.—Support to broaden and deepen democratic institutions and values in the Caribbean and to assist countries in areas such as the administration of justice where requested by the recipient governments.

"(11) ACCESS TO HUMAN SERVICES AND ASSISTANCE FOR HUMAN RESOURCES DEVELOPMENT.—Support for the provision of basic services to the citizens of the Caribbean using, as appropriate, governmental and nongovernmental entities, with emphasis on sustainability of service delivery in areas such as basic education, primary health care, child survival, family planing, and prevention and control of acquired immune deficiency syndrome (AIDS).

"SEC. 5304. PROTECTION OF WORKER RIGHTS.

"In considering whether to provide assistance under this Act to the government of any country in the Caribbean and in considering how much assistance to allocate to such government, the President shall take into account whether such government has failed to extend, protect, and enforce internationally recognized worker rights for workers in that country (including workers within any designated zone) and, if so, whether such government is taking steps to adopt and implement laws that demonstrate significant, tangible, and measurable overall advancement in providing internationally recognized worker rights throughout the country (including in any designated zone).

"SEC. 5305. PROTECTION OF PUBLIC HEALTH.

"The administering agency should not provide any assistance, directly or indirectly, for the use of any chemical or other substance in a country in the Caribbean if—

"(1) that use is not permitted under laws of that country relating to protection of public health, or

"(2) that use would not be permitted in the United States under laws of the United States relating to protection of public health.

"SEC. 5306. SUPPORT FOR WOMEN'S ROLE IN DEVELOPMENT.

"In providing assistance to the Caribbean, the administering agency should place emphasis on ensuring the active participation of Caribbean women in the development process, particularly through—

"(1) the promotion of greater access by women to productive resources and services, such as land, credit, and markets;

"(2) programs that respond to and support women's domestic needs and activities, including the strengthening of community-based education, health, and childcare programs and other critical social services identified by poor women; and

"(3) the involvement of Caribbean women in research on the factors that contribute to their economically vulnerable situation and in programs that address these factors.

"SEC. 5307. CONSULTATION.

"In implementation of assistance policies, programs, and projects in the Caribbean, the administering agency should take into account the perspectives of the rural and urban poor through consultation with Caribbean organizations that work with the poor and that have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in the Caribbean, as described in section 5302(a). The administering agency should reflect the results of such consultations in its annual planning documents.

"SEC. 5308. DEFINITION OF CARIBBEAN.

"As used in this chapter, the term 'Caribbean' includes Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Cayman Islands, Montserrat, Netherlands Antilles, Saint Christopher-Nevis, Turks and Caicos Islands, and the British Virgin Islands.

"CHAPTER 4—ENTERPRISE FOR THE AMERICAS INITIATIVE

"SEC. 5401. ESTABLISHMENT OF ENTERPRISE FOR THE AMERICAS FACILITY.

"There is hereby established in the Department of the Treasury the Enterprise for the Americas Facility (hereinafter in this chapter referred to as the 'Facility').

"SEC. 5402. PURPOSE OF INITIATIVE AND THE FACILITY.

"The purpose of the Enterprise for the Americas Initiative is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with interrelated actions to promote debt reduction, investment reforms, and community based conservation and sustainable use of the environment. The Facility will support these objectives through administration of debt reduction operations for those countries that meet investment reforms and other policy conditions.

"SEC. 5403. ELIGIBILITY FOR BENEFITS UNDER THE FACILITY.

"(a) REQUIREMENTS.—To be eligible for benefits under the Facility, a country must—

"(1) be a Latin American or Caribbean country;

"(2) have in effect, have received approval for, or, as appropriate in exceptional circumstances, be making significant progress toward—

"(A) an International Monetary Fund standby arrangement, extended Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, a Fund monitored program or its equivalent, unless the President determines (after consultation with the Environment for the Americas Board) that such an arrangement or program (or its equivalent) could reasonably be expected to have significant adverse social or environmental effects; and

"(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association, unless the President determines (after consultation with the Environment for the Americas Board) that the resulting adjustment requirements could reasonably be expected to have significant adverse social or environmental effects;

"(3) have put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise be implementing, or making significant progress toward, an open investment regime; and

"(4) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

"(b) ELIGIBILITY DETERMINATIONS.—The President shall determine whether a country is an eligible country for purposes of subsection (a).

"SEC. 5404. REDUCTION OF CERTAIN DEBT.

"(a) AUTHORITY TO REDUCE DEBT.—

"(1) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1990, as a result of concessional loans made by the United States pursuant to the former authorities of part I of this Act (or predecessor foreign economic assistance legislation) to a country eligible for benefits under the Facility.

"(2) LIMITATIONS.—

"(A) FEDERAL CREDIT REFORM ACT REQUIREMENTS.—The authority of this section may be exercised only to the extent that the budget authority for the resulting additional cost (within the meaning of the Federal Credit Reform Act of 1990) has been provided in advance in appropriations Acts.

"(B) LIMITATION OF AUTHORIZATION AMOUNTS.—Notwithstanding section 505(a) of the Federal Credit Reform Act of 1990, the following amounts only are authorized to be appropriated for such costs for fiscal years 1992 and 1993: $242,356,000 for fiscal year 1992 and $224,644,000 for fiscal year 1993.

"(3) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

"(4) DEFINITION.—Hereinafter in this chapter, a country with respect to which the authority of paragraph (1) is exercised is referred to as the beneficiary country.

"(b) IMPLEMENTATION OF DEBT REDUCTION.—

"(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of January 1, 1990.

"(2) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the administering agency of the agreement with an eligible country to exchange a new obligation for outstanding obligations pursuant to this subsection; and at the direction of the Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the administering agency shall make an adjustment in its accounts to reflect the debt reduction.

"SEC. 5405. REPAYMENT OF PRINCIPAL.

"(a) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to section 5404(b) shall be repaid in United States dollars.

"(b) DEPOSIT OF PAYMENTS.—Principal repayments of new obligations shall be deposited in the United States Government account established for principal repayments of the obligations for which those obligations were exchanged.

"SEC. 5406. INTEREST ON NEW OBLIGATIONS.

"(a) RATE OF INTEREST.—New obligations issued by a beneficiary country pursuant to section 5404(b) shall bear interest at a concessional rate.

"(b) CURRENCY OF PAYMENT; DEPOSITS.—

"(1) LOCAL CURRENCY.—If the beneficiary country has entered into an Environmental Framework Agreement under section 5408, interest shall be paid in the local currency of the beneficiary country and deposited in the Environmental Fund provided for in section 5407(a). Such interest shall be the property of the beneficiary country, until such time as it is disbursed pursuant to section 5407(d). Such local currencies shall be used for the purposes specified in the Environmental Framework Agreement.

"(2) UNITED STATES DOLLARS.—If the beneficiary country has not entered into an Environmental Framework Agreement under section 5408, interest shall be paid in United States dollars and deposited in the United States Government account established for interest payments of the obligations for which the new obligations were exchanged.

"(c) INTEREST ALREADY PAID.—If a beneficiary country enters into an Environmental Framework Agreement subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the Environmental Fund established for that beneficiary country pursuant to section 5407(a).

"SEC. 5407. ESTABLISHMENT OF, DEPOSITS INTO, AND DISBURSEMENTS FROM ENVIRONMENTAL FUNDS.

"(a) ESTABLISHMENT.—Each beneficiary country that enters into an Environmental Framework Agreement under section 5408 shall be required to establish an Enterprise

for the Americas Environmental Fund (referred to in this chapter as the 'Environmental Fund') to receive payments in local currency pursuant to section 5406(b)(1).

"(b) DEPOSITS.—Local currencies deposited in an Environmental Fund shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

"(c) INVESTMENT.—Deposits made in an Environmental Fund shall be invested until disbursed. Any return on such investment may be retained by the Environmental Fund, without deposit in the Treasury of the United States and without further appropriation by Congress.

"(d) DISBURSEMENTS.—Funds in an Environmental Fund shall be disbursed only pursuant to an Environmental Framework Agreement under section 5408.

"SEC. 5408. ENVIRONMENTAL FRAMEWORK AGREEMENTS.

"(a) AUTHORITY.—The Secretary of State is authorized, in consultation with other appropriate Government officials, to enter into an agreement (referred to in this chapter as an 'Environmental Framework Agreement') with any country eligible for benefits under the Facility concerning the operation and use of the Environmental Fund for that country. In the negotiation of such agreements, the Secretary shall consult with the Environment for the Americas Board in accordance with section 5409.

"(b) CONTENTS OF AGREEMENTS.—An Environmental Framework Agreement with an eligible country shall—

"(1) require that country to establish an Environmental Fund;

"(2) require that country to make interest payments under section 5406(b)(1) into an Environmental Fund;

"(3) require that country to make prompt disbursements from the Environmental Fund to the administering body described in subsection (c);

"(4) when appropriate, seek to maintain the value of the local currency resources of the Environmental Fund in terms of United States dollars;

"(5) specify, in accordance with subsection (d), the purposes for which the fund may be used; and

"(6) contain reasonable provisions for the enforcement of the terms of the agreement.

"(c) ADMINISTERING BODY.—

"(1) IN GENERAL.—Funds disbursed from the Environmental Fund in each beneficiary country shall be administered by a body constituted under the laws of that country (referred to in this chapter as the 'administering body').

"(2) COMPOSITION.—The administering body shall consist of—

"(A) one or more individuals nominated by the United States Government,

"(B) one or more individuals nominated by the government of the beneficiary country, and

"(C) individuals who represent a broad range of environmental nongovernmental organizations of the beneficiary country, local community development nongovernmental organizations of the beneficiary country, and scientific or academic organizations or institutions of the beneficiary country.

A majority of the members of the administering body shall be individuals described in subparagraph (C).

"(3) RESPONSIBILITIES.—The administering body—

"(A) shall receive proposals for grant assistance from eligible grant recipients (as determined under subsection (e)) and make grants to eligible grant recipients in accordance with the priorities agreed upon in the Environmental Framework Agreement, consistent with subsection (d);

"(B) shall be responsible for the management of the program and oversight of grant activities funded from resources of the Environmental Fund;

"(C) shall be subject, on an annual basis, to an audit of financial statements conducted in accordance with generally accepted auditing standards by an independent auditor;

"(D) shall present an annual program for review each year by the Environment for the Americas Board; and

"(E) shall submit a report each year on the activities that it undertook during the previous year to the Chair of the Environment for the Americas Board and to the government of the beneficiary country.

"(d) ELIGIBLE ACTIVITIES.—Grants from an Environmental Fund shall be used for activities that link the conservation and sustainable use of natural resources with local community development.

"(e) GRANT RECIPIENTS.—Grants made from an Environmental Fund shall be made to—

"(1) nongovernmental environmental, conservation, development, and indigenous peoples organizations of the beneficiary country;

"(2) other appropriate local or regional entities; and

"(3) in exceptional circumstances, the government of the beneficiary country.

"(f) REVIEW OF LARGER GRANTS.—Any grant of more than $100,000 from an Environmental Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

"SEC. 5409. ENVIRONMENT FOR THE AMERICAS BOARD.

"(a) ESTABLISHMENT.—There is hereby established an Environment for the Americas Board (hereinafter in this chapter referred to as the 'Board').

"(b) MEMBERSHIP.—The Board shall be composed of 11 members appointed by the President as follows:

"(1) 6 officers or employees of the United States Government.

"(2) 5 individuals who are representatives of private nongovernmental environmental, scientific, or academic organizations that have experience and expertise in Latin America and the Caribbean.

The chair of the Board shall be designated by the President from among the members of the Board appointed pursuant to paragraph (1).

"(c) RESPONSIBILITIES.—The Board shall—

"(1) advise the Secretary of State on the negotiations of Environmental Framework Agreements;

"(2) ensure, in consultation with—

"(A) the government of the beneficiary country,

"(B) nongovernmental organizations of the beneficiary country,

"(C) nongovernmental organizations of the region (if appropriate),

"(D) environmental, scientific, and academic leaders of the beneficiary country, and

"(E) environmental, scientific, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Environmental Fund; and

"(3) review the programs, operations, and fiscal audits of each administering body.

"(d) SUPPLEMENTAL VIEWS IN ANNUAL REPORT ON THE FACILITY.—Each member of the Board shall be entitled to receive a copy of any report to be transmitted to the Congress pursuant to section 5411(a) at least 14 days before the report is to be so transmitted, to have 14 days within which to prepare and submit supplemental views for inclusion in such report, and to have those views included in the report when it is so transmitted.

"SEC. 5410. ENCOURAGING MULTILATERAL DEBT DONATIONS.

"(a) ENCOURAGING DONATIONS FROM OFFICIAL CREDITORS.—The President should actively encourage other official creditors of a beneficiary country whose debt is reduced under this chapter to provide debt reduction to such country.

"(b) ENCOURAGING DONATIONS FROM PRIVATE CREDITORS.—The President shall make every effort to ensure that Environmental Funds established pursuant to section 5407 are able to receive donations from private and public entities and from private creditors of the beneficiary country.

"SEC. 5411. ANNUAL REPORT TO AND CONSULTATIONS WITH CONGRESS.

"(a) ANNUAL REPORT.—Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate an annual report on the operation of the Facility for the prior fiscal year.

"(b) CONSULTATIONS.—The President shall consult with the appropriate congressional committees on a periodic basis to review the operation of the Facility and the eligibility of countries for benefits under the Facility.

"CHAPTER 5—OTHER REGION AND COUNTRY SPECIFIC PROVISIONS

"SEC. 5501. UNITED STATES POLICY REGARDING THE EASTERN MEDITERRANEAN.

"(a) CONGRESSIONAL FINDINGS REGARDING CYPRUS SETTLEMENT.—The Congress declares that the achievement of a just and lasting Cyprus settlement is and will remain a central objective of United States foreign policy. The Congress finds that—

"(1) a just settlement on Cyprus must provide reasonable guarantees that the rights of all the people of Cyprus, including displaced persons, are fully protected;

"(2) a just settlement on Cyprus must include the withdrawal of Turkish military forces from Cyprus;

"(3) serious negotiations, under United Nations auspices, will be necessary to achieve agreement on, and implementation of, constitutional and territorial arrangements critical to a just settlement on Cyprus; and

"(4) the continued deployment of a United Nations peacekeeping force is essential to reducing tensions and maintaining the cease fire on Cyprus.

"(b) PRINCIPLES GOVERNING UNITED STATES POLICY.—United States policy regarding Cyprus, Greece, and Turkey shall be directed toward maintaining a stable and peaceful atmosphere in the Eastern Mediterranean region and shall therefore be governed by the following principles:

"(1) The United States shall actively support the resolution of differences through negotiations, shall encourage all parties to avoid provocative actions, and shall strongly oppose any attempt to resolve disputes through force or threat of force.

"(2) The United States will accord full support and high priority to efforts, including those of the United Nations, to bring about a prompt, peaceful settlement on Cyprus.

"(3) All defense articles furnished by the United States to countries in the Eastern Mediterranean region will be used only in accordance with the requirements of this Act, the Defense Trade and Export Control Act, and the agreements under which those defense articles were furnished.

"(4) The United States will furnish military assistance for Greece and Turkey only when furnishing that assistance is intended solely for defensive purposes, including when necessary to enable the recipient country to fulfill its responsibilities as a member of the North Atlantic Treaty Organization, and shall be designed to ensure that the present balance of military strength between Greece and Turkey is preserved. Nothing in this paragraph shall be construed to prohibit the transfer of defense articles to Greece or Turkey for legitimate self defense or to enable Greece or Turkey to fulfill their North Atlantic Treaty Organization obligations.

"(5) Any agreement entered into by the United States for the sale or other provision of any defense article on the United States Munitions List (established pursuant to section 38 of the Defense Trade and Export Control Act) shall expressly state that the article is being provided by the United States only with the understanding that the article will not be transferred to Cyprus or otherwise used to further the severance or division of Cyprus. The President shall report to the Congress any substantial evidence that equipment provided under any such agreement has been used in a manner inconsistent with the purposes of this paragraph.

"(6) The United States shall use its influence to achieve the withdrawal of Turkish military forces from Cyprus in the context of a solution to the Cyprus problem.

"(c) REVIEW AND REPORTS REGARDING PROGRESS TOWARD A SETTLEMENT.—

"(1) CONTINUAL REVIEW.—Because progress toward a Cyprus settlement is a high priority of United States policy in the Eastern Mediterranean, the President and the Congress shall continually review that progress and shall determine United States policy in the region accordingly.

"(2) PERIODIC REPORTS.—To facilitate such a review, the President shall transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, every 120 days, a report on progress made toward the conclusion of a negotiated solution of the Cyprus problem. Such reports shall include any relevant reports prepared by the Secretary General of the United Nations for the Security Council.

"SEC. 5502. STRENGTHENING CIVILIAN CONTROL OVER THE MILITARY IN LATIN AMERICA AND THE CARIBBEAN.

"(a) REQUIREMENT FOR CIVILIAN APPROVAL OF MILITARY ASSISTANCE AND SALES.—In order to strengthen the control of democratically elected civilian governments over the armed forces, military assistance and sales may be delivered to the armed forces of any country in Latin America and the Caribbean having such a civilian government only with the prior approval of that country's head of government.

"(b) DEFINITION OF MILITARY ASSISTANCE AND SALES.—For purposes of this section, the term 'military assistance and sales' means—

"(1) foreign military financing assistance;

"(2) deliveries under the special drawdown authority of section 2901;

"(3) transfers of excess defense articles under chapter 3 of title II;

"(4) international military education and training; and

"(5) defense articles, defense services, and design and construction services sold under the Defense Trade and Export Control Act.

"SEC. 5503. SOUTH AFRICA.

"(a) FOSTERING A JUST SOCIETY AND HELPING VICTIMS OF APARTHEID IN SOUTH AFRICA.—

"(1) EARMARK OF FUNDS.—Of the amounts made available to carry out section 1221 of this Act, $1,500,000 each fiscal year shall be used for grants to nongovernmental organizations in South Africa promoting political, economic, social, juridical, and humanitarian efforts to foster a just society and to help victims of apartheid.

"(2) PRIORITIES.—In making grants under this subsection, priority should be given to those organizations or activities which contribute, directly or indirectly, to promoting a just society, to aiding victims of official discrimination, and to the nonviolent elimination of apartheid. Priority should also be given to those organizations whose programs and activities evidence community support.

"(3) POLITICAL PRISONERS; NONVIOLENT RESISTANCE TO APARTHEID.—Of the funds made available to carry out this subsection each fiscal year, not less than $500,000 shall be used for—

"(A) direct legal and other assistance to political detainees and prisoners and their families, including the investigation of the killing of protesters and prisoners; and

"(B) support for actions of black-led community organizations to resist, through nonviolent means, the enforcement of apartheid policies.

"(4) LIMITATIONS.—Grants may be made under this subsection only for organizations whose character and membership reflect the objective of a majority of South Africans for an end to the apartheid system of separate development and for interracial cooperation and justice. Grants may not be made under this subsection to governmental institutions or organizations or to organizations financed or controlled by the Government of South Africa.

"(b) ASSISTANCE FOR DISADVANTAGED SOUTH AFRICANS.—

"(1) ASSISTANCE AUTHORIZED.—Up to $40,000,000 of the funds made available each fiscal year for economic support assistance, assistance from the Development Fund for Africa, and development assistance shall be available for assistance for disadvantaged South Africans, notwithstanding any other provision of law.

"(2) ACTIVITIES TO BE SUPPORTED.—Assistance under this subsection shall be provided for activities that are consistent with the objective of a majority of South Africans for an end to the apartheid system and the establishment of a society based on nonracial principles. Such activities may include scholarships, assistance to promote the participation of disadvantaged South Africans in trade unions and private enterprise and alternative education and community development programs.

"(3) LIMITATION.—Assistance furnished pursuant to this subsection may not be used to provide support to organizations or groups which are financed or controlled by the Government of South Africa. This paragraph does not prohibit programs which award scholarships to students who choose to attend South African-supported institutions and which are otherwise consistent with this subsection.

"(c) SOUTH AFRICAN NONGOVERNMENTAL ORGANIZATIONS.—

"(1) CERTAIN ORGANIZATIONS TO BE GIVEN PRIORITY.—In providing assistance described in paragraph (2) for disadvantaged South Africans, priority shall be given to working with and through South African nongovernmental organizations whose leadership and staff are selected on a nonracial basis, and which have the support of the disadvantaged communities being served.

"(2) ASSISTANCE PROGRAMS COVERED.—Paragraph (1) applies with respect to economic support assistance, assistance from the Development Fund for Africa, and development assistance, including assistance under this section or section 1221.

"SEC. 5504. ASSISTANCE FOR PAKISTAN.

"(a) STATEMENT OF POLICY.—The Congress recognizes that an independent and democratic Pakistan with continued friendly ties with the United States is in the interest of both nations. The Congress also recognizes that the United States and Pakistan have many shared interests in the Asian subcontinent, including the achievement of a final political settlement in Afghanistan, narcotics control, nuclear nonproliferation, and democracy. The preservation of democracy in Pakistan is essential for the maintenance of political stability in Pakistan and for close, longlasting ties between Pakistan and the United States. One of the primary purposes of United States assistance for Pakistan is to support and sustain democracy. Therefore, the maintenance of a democratic government in Pakistan, in which the military forces are subordinate to the appropriate civilian authorities, is essential for the continuation of United States assistance to Pakistan.

"(b) REAFFIRMATION OF 1959 AGREEMENT.—The United States reaffirms the commitment made in its 1959 bilateral agreement with Pakistan relating to aggression from a Communist or Communist-dominated state.

"(c) PROVISION OF DEFENSE ARTICLES.—The United States shall continue to take appropriate steps to ensure that defense articles provided by the United States to Pakistan are used solely for defensive purposes or for the other nonaggressive purposes specified in section 3(c)(5) of the Defense Trade and Export Control Act.

"(d) AUTHORITY TO WAIVE PROHIBITION.—

"(1) IN GENERAL.—The President may waive the prohibitions of section 6201(a)(5) of this Act with respect to paragraph (1) of section 6206 at any time during the period beginning on the date of enactment of this section and ending on September 30, 1993, to provide assistance to Pakistan during that period if he determines that to do so is in the national interest of the United States, subject to paragraph (2).

"(2) LIMITATION.—The President may not exercise the waiver authority of this subsection unless a certification under subsection (e) of this section is in effect, and (notwithstanding the effective date specified in section 1101 of the International Cooperation Act of 1991) may not exercise the waiver authority of subsection (d) of section 620E (as in effect prior to that date) unless a certification under subsection (e) of that section is in effect.

"(e) ANNUAL CERTIFICATION.—No assistance shall be furnished to Pakistan and no military equipment or technology shall be sold or transferred to Pakistan, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance to be furnished or military equipment or technology is to be sold or transferred, that Pakistan does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that Pakistan will possess a nuclear explosive device.

"(f) FURTHER RESTRICTION ON ASSISTANCE.—Subject to subsection (g)—

"(1) unless a certification under section 620E(e) of this Act (as in effect prior to the effective date specified in section 1101 of the International Cooperation Act of 1991) is in effect on September 30, 1991, no funds may be allocated for fiscal year 1992 for assistance to Pakistan, or for the sale or transfer of defense articles or defense services to Pakistan, under this Act or any other Act; and

"(2) unless a certification under subsection (e) of this section is in effect on September 30, 1992, no funds may be allocated for fiscal year 1993 for assistance to Pakistan, or for the sale or transfer of defense articles or defense services to Pakistan.

"(g) IF A CERTIFICATION MADE.—If a certification under subsection (e) is made in a fiscal year after the prohibition in subsection (f) applies, funds for assistance, sales, or transfers described in subsection (f) may be allocated for Pakistan pursuant to the reprogramming provisions of section 6304 of this Act or pursuant to a subsequent appropriation Act.

"SEC. 5505. ASSISTANCE FOR CUBA.

"(a) PRESENT GOVERNMENT.—Assistance may not be furnished under this Act to the present government of Cuba.

"(b) EXPROPRIATION CLAIMS OF UNITED STATES PERSONS.—Except as may be deemed necessary by the President in the interest of the United States, assistance may not be furnished under this Act to any government of Cuba until the President determines that such government has taken appropriate steps, according to international law standards, to return to United States citizens and to entities not less than 50 percent beneficially owned by United States citizens, or to provide equitable compensation to such citizens and entities for, property taken from such citizens and entities on or after January 1, 1959, by the Government of Cuba.".

SEC. 502. CONFORMING AMENDMENT RELATING TO THE ENVIRONMENT FOR THE AMERICAS BOARD.

Section 610(b)(1) of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) in subparagraph (A), by striking out "five" and insert in lieu thereof "six"; and

(2) in subparagraph (B), by striking out "four" and inserting in lieu thereof "five".

AMENDMENTS EN BLOC OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, the gentleman from Michigan [Mr. BROOMFIELD] and I offer amendments en bloc which have been made in order under the rule.

The CHAIRMAN pro tempore. The Clerk will designate the amendments en bloc.

The text of the amendments en block is as follows:

Amendments en bloc offered by Mr. FASCELL:

Offered by Mr. MCHUGH of New York:

On p. 88, lines 6 and 7, strike "$40,000,000" in both places and insert "$70,000,000" in both places; and on p. 88, line 10, strike "$100,000,000" and insert "$70,000,000".

Offered by Mr. TORRICELLI of New Jersey:

Page 91, after line 3, insert the following:

"Subchapter C—Appropriate Technology International

"SEC. 1731. APPROPRIATE TECHNOLOGY INTERNATIONAL.

"(a) ELIGIBILITY AS A PVO.—Appropriate Technology International qualifies along with any cooperative development organization for development assistance funds made available for United States private voluntary organizations.

"(b) ADDITIONAL FUNDING.—In addition to the $3,000,000 made available to Appropriate Technology International under its cooperative agreement with the Agency for International Development, $2,000,000 of the funds made available for economic support assistance for fiscal year 1992 shall be provided to Appropriate Technology International to enable it to emphasize large-scale replication of successful projects and partnerships with major development and financial institutions.

Offered by Mr. TORRICELLI of New Jersey:

Page 64, line 6, strike out "and" and insert in lieu thereof "or"; and line 18, strike out "(a)" and insert in lieu thereof "(b)".

Offered by Mr. TORRICELLI of New Jersey:

Page 63, line 14, after "and" insert the following: "that, as of the time of the cash transfer under this chapter,".

Offered by Mr. BEREUTER of Nebraska:

Page 62, line 11, delete "Country" and insert the following: "recipient government".

Offered by Mr. DORGAN of North Dakota:

Page 17, line 16, after "issues," insert "policies concerning the furnishing of foreign military financing assistance.".

Offered by Mr. BROOMFIELD of Michigan:

On page 171, strike out the word "supervision" in line 14 and insert in lieu thereof the word "monitoring".

Offered by Mr. BROOMFIELD of Michigan:

On page 128, insert the following new section after line 2:

"SEC. 2208. COMMITMENT OF PRIOR-YEAR GRANT FINANCING.

"If the President at any time notifies the Congress that no further sales will be made pursuant to the Defense Trade and Export Control Act after the date of such notification to a specified country under circumstances then prevailing, any uncommitted funds allocated for such country that, prior to the effective date set forth in section 1101 of the International Cooperation Act of 1991, were transferred under the former authority of section 503(a)(3) of the Foreign Assistance Act of 1961 or section 23 of the Arms Export Control Act for the purpose of financing sales under the Arms Export Control Act may be committed to finance sales under the Defense Trade and Export Control Act to other eligible countries, subject to 15-day advance notification to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304.

Offered by Mr. HALL of Ohio:

Page 214, line 8, strike the period and insert the following:

, that—

(A) includes a linkage of humanitarian and developmental objectives with security objectives in Third World countries, particularly the poorest of the poor countries; and

(B) encourages countries selling military equipment and services to consider the following factors before making conventional arms sales: the security needs of the purchasing countries, the level of defense expenditures by the purchasing countries, and the level of indigenous production of the purchasing countries.

Offered by Mr. DORGAN of North Dakota:

Page 107, after line 4, insert the following:

"(e) POLICY REGARDING CONSISTENCY WITH ACHIEVEMENT OF ECONOMIC ASSISTANCE OBJECTIVES.—Military assistance should not be provided to a country under this title if such assistance would hinder the achievement of the four basic objectives set forth in section 1102 of promoting sustainable economic growth, sustainable resource management, poverty alleviation, and democracy.

Hoyer amendemnt as modified:

On page 214, line 4, insert new finding (11) and redesignate previous finding (11) as (12)

(11) as an interim step, the United States should consider introducing, during the ongoing negotiations on confidence securitybuilding measures at the Conference on Security and Cooperation in Europe (CSCE), a proposal regarding the international exchange of information, on an annual basis, on the sale and transfer of major defense equipment, particularly to the Middle East and Persian Gulf region; and

Page 214, line 3, strike "and" after the semicolon.

Offered by Mr. FEIGHAN of Ohio:

Page 293, line 16, strike out "March" and insert in lieu thereof "April".

Page 294, beginning in line 10, strike out "the matters identified in section 4402(b)(2)." and insert in lieu thereof the following:

the extent to which the country has—

"(A) met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, including action on such issues as illicit cultivation, production, distribution, sale, transport, and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction;

"(B) accomplished the goals described in an applicable bilateral narcotics agreement with the United States or a multilateral agreement; and

"(C) taken legal and law enforcement measures to prevent and punish public corruption, especially by senior government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.

Offered by Mr. FASCELL of Florida:

Page 360, strike out lines 3 through 7 and insert in lieu thereof the following:

"SEC. 5401. ENTERPRISE FOR THE AMERICAS FACILITY AND ENVIRONMENT FOR THE AMERICAS BOARD.

"As used in this chapter—

"(1) the term 'Facility' means the entity established in the Department of the Treasury by section 601 of the Agricultural Trade Development and Assistance Act of 1954; and

"(2) the term 'Environment for the Americas Board' or 'Board' means the board established by section 610 of that Act.

Page 360, line 8, strike out "OF INITIATIVE AND THE FACILITY"; beginning in line 9, strike out "the Enterprise for the Americas Initiative" and insert in lieu thereof "this chapter"; and line 17, after "operations" insert "under this chapter".

Page 360, line 22, strike out "under the Facility" and insert in lieu thereof "from the Facility under this chapter".

Page 367, line 2, strike out "under the Facility" and insert in lieu thereof "from the Facility under this chapter".

Page 370, strike out line 15 and all that follows through line 3 on page 371; page 371, line 4, strike out "(c)" and insert in lieu thereof "(a)"; line 4, before "Board" insert "Envi-

ronment for the Americas"; line 6, after "Agreements" insert "pursuant to section 5408"; line 19, after "Fund" insert "established pursuant to this chapter"; line 22, strike out "(d)" and insert in lieu thereof "(b)"; lines 22 and 23, strike "ON THE FACILITY"; line 25, strike out "section 5411(a)" and insert in lieu thereof "section 614 of the Agricultural Trade Development and Assistance Act of 1954"; and page 372, line 2, after "views" insert "with respect to the implementation of this chapter".

Page 372, strike out lines 5 through 24 and insert in lieu thereof the following:

"SEC. 5410. CONSULTATIONS WITH THE CONGRESS.

Page 373, line 1, strike out "(b) CONSULTATIONS.—"; line 3, after "Facility" insert "under this chapter"; and line 4, strike out "under the Facility" and insert in lieu thereof "from the Facility under this chapter".

Page 385, line 11, before the semicolon, insert the following:

and by inserting ", at least one of whom shall be a representative of the Department of Agriculture" after "Government".

Offered by Mr. LAGOMARSINO of California:

(Page 553, line 21 & 22)

Section 808, Subsection (a), paragraph (7) after "American University of Beirut" strike the word "and" and insert "," in lieu thereof. Following "Beirut University College" insert ", and International College"

Offered by Mr. DREIER of California:

Page 601, strike out line 12 and all that follows through line 14 on page 602 and insert in lieu thereof the following:

(1) FINDINGS.—The Congress finds that—

(A) the free flow of information is an essential component of modern commerce and is conducive to economic development and democracy;

(B) the United States is the world's leader in the development of commercial information systems for business and government;

(C) the United States business community urgently requires thorough and timely information on enterprises, government commercial policies, and investment opportunities in the emerging democracies of Eastern Europe; and

(D) it is the policy of the United States to favor efficient private sector delivery of government services where possible.

(2) PRIVATIZATION OF INFORMATION SYSTEM.—Section 602 (22 U.S.C. 5462) is amended to read as follows:

"SEC. 602. EASTERN EUROPEAN BUSINESS INFORMATION CENTER SYSTEM.

"(a) PURPOSE.—The President shall encourage and facilitate United States investment in East European business enterprises through the widest possible dissemination of commercial and legal information on Eastern Europe to the United States business community through United States information services companies.

"(b) ESTABLISHMENT.—Under the direction of the President, the SEED Program coordinator shall promptly establish a Eastern Europe Business Information Center System, employing the services and expertise of a United States information services company. This system shall work in coordination with the Foreign Commercial Service and the governments of eligible East European countries.

"(c) FUNCTIONS.—

"(1) IN GENERAL.—The Eastern European Business Information Center System shall serve as a central clearinghouse and data resource service for United States and Eastern European businesses, providing information relating to—

"(A) business conditions in Eastern Europe;

"(B) legal and regulatory information needed by United States companies seeking to do business in Eastern Europe;

"(C) investment and trade opportunities for United States companies resulting from the region's efforts to privatize state enterprises and move toward a market economy; and

"(D) voluntary assistance efforts to countries in Eastern Europe.

"(2) PRIVATE ENTERPRISE DEVELOPMENT.—The Eastern European Business Information Center System shall be established, among other purposes—

"(A) to encourage United States information companies to invest in and develop an infrastructure for gathering and disseminating information on business in Eastern Europe to the United States business community;

"(B) to provide the widest possible dissemination of such information to United States business interested in investment in Eastern European private enterprises and in trade with such enterprises;

"(C) to encourage the submission of economically sound business proposals to the Polish-American Enterprise Fund, the Hungarian-American Enterprise Fund, and similar entities that may be established; and

"(D) to encourage the involvement of United States businesses in voluntary development efforts in Eastern Europe.

"(d) INFORMATION ACCESS.—The Eastern European Business Information Center System shall be made accessible to the widest possible number of United States businesses through commercially available on-line information services. The SEED Program coordinator shall also endeavor to make information accessible to local enterprises in Eastern Europe seeking trade with or investment from the United States through the establishment of Eastern European trade information centers in Budapest, Hungary; Warsaw, Poland; and such other locations as the coordinator may designate.

"(e) REQUIREMENT FOR PRIVATE MATCHING FUNDING.—Funds made available to carry out this section may be provided to a United States company on a grant or contract basis for use in carrying out functions under this section only if that company, in carrying out those functions, uses either its own funds or other funds derived from nongovernment sources in an amount not less than twice the amount of the grant or contract.

"(f) FUNDING.—The Secretary of Commerce may use up to $500,000 of the funds appropriated for the International Trade Administration for each of the fiscal years 1992 and 1993 to carry out this section.".

Page 602, line 15, after "602" insert ", as amended by paragraph (2) of this subsection,"; and line 17, strike out "(d)" and insert in lieu thereof "(g)".

Page 604, in the text following line 7, after "Center" insert "System".

Offered by Mr. DREIER of California:

Page 611, after line 22, insert the following:

SEC. 852. TASK FORCE ON REGULATORY REFORM.

(a) FINDINGS.—The Congress finds that—

(1) American businesses and private voluntary organizations have complained publicly that the Agency for International Development's applications and requirements are "unnecessarily complicated and enormously time-consuming"; and

(2) the Agency's regulations and the lengthy application process discouraged many organizations from applying for funding, and have delayed the implementation and approval of programs for Eastern Europe that could further the transition to a market economy.

(b) TASK FORCE TO REFORM THE APPLICATION PROCESS FOR UNITED STATES ASSISTANCE TO EASTERN EUROPE.—

(1) ESTABLISHMENT AND FUNCTIONS.—The Administrator of the Agency for International Development shall establish a task force to review, and recommend revisions to, the Agency's regulations governing the application process for private voluntary organizations and businesses to receive funding from the Agency for activities relating to Eastern Europe. The task force shall have 5 members appointed by the Administrator, as follows:

(A) 2 officials from the Agency for International Development.

(B) 1 representative of private voluntary organizations.

(C) 1 representative of the United States business community.

(D) 1 individual who is a representative of either private voluntary organizations or the United States business community.

(2) REPORT AND IMPLEMENTATION.—The task force shall report the results of its review and its recommendations for revisions to such regulations to the Administrator, who shall implement those recommendations within 1 year after the date of enactment of this Act.

Offered by Mr. BROOMFIELD of Michigan:

Page 622, after line 5, insert the following:

Section 869.

SITUATION IN ALBANIA

It is the sense of the Congress that—

(1) the United States should encourage Albania in its efforts to open its society to Western ideas and ideals;

(2) in order to maintain the progress toward democracy that has already occurred and to encourage and support further progress, the United States should provide assistance for democratic institution-building in Albania, including the development of programs concerning the rule of law, the political process, local government, public administration, and social progress; and

(3) The United States also should provide medical and humanitarian assistance for the Albanian people.

Offered by Mr. OWENS OF UTAH:

Page 622, after line 5, insert the following:

SEC. 869. NAGORNO-KARABAKH CRISIS.

(a) FINDINGS.—The Congress finds that—

(1) the Government of the Soviet Union and Government of the Azerbaijan Republic have dramatically escalated their attacks against civilian Armenians in Nagorno-Karabakh, Azerbaijan, and Armenia itself;

(2) the Government of the Soviet Union has refused Armenia's request to convene a special session of the Supreme Soviet of the Union of Soviet Socialist Republics to resolve the Nagorno-Karabakh crisis;

(3) Soviet and Azerbaijani forces have destroyed Armenian villages and depopulated Armenian areas in and around Nagorno-Karabakh in violation of internationally recognized human rights; and

(4) armed militia threaten stability and peace in Armenia, Nagorno-Karabakh, and Azerbaijan.

(b) CONGRESSIONAL DECLARATION OF POLICY.—The Congress—

(1) condemns the attacks on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia;

(2) condemns the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders;

(3) calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, and calls for the withdrawal of Soviet forces newly deployed for the purpose of intimidation;

(4) calls for dialogue among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict;

(5) reconfirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various republics, by expressing its deep concern about any Soviet action of retribution, intimidate, or leverage against those republics and regions which have chosen to seek the fulfillment of their political aspirations; and

(6) calls for an immediate end to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes.

Offered by Mr. CAMPBELL of California, as modified:

Page 568, after line 14, insert the following:

SEC. 818. SAUDI POLICY TOWARD ISRAEL.

(a) FINDINGS.—The Congress finds that—

(1) Saudi Arabia has a long record of supporting Arab war efforts against Israel;

(2) Saudi Arabia possesses CSS–2 missiles that are capable of reaching Israel with a chemical, nuclear, or conventional warhead;

(3) one of the wealthiest Arab nations in the Middle East, Saudi Arabia has played a signficant role in enforcing the Arab economic boycott of Israel;

(4) The Saudi government has financially supported Palestinian groups that have engaged in terrorist acts against Israel and Western nations;

(5) Saudi Arabia has not publicly and explicity recognized Israel's right to exist; and

(6) Saudi Arabia has refused to engage in direct bilateral peace negotiations with Israel.

(b) POLICY DECLARATIONS.—It is the sense of the Congress that—

(1) Saudi Arabia remains a threat to the State of Israel; and

(2) it should be the policy of the United States to encourage the Saudi government of recognize unequivocally Israel's right to exist as a sovereign nation within secure and recognized borders, to end the economic boycott of Israel, and to agree to negotiate directly with the state of Israel.

Offered by Mr. SMITH of Florida:

Page 555, after line 9, insert the following:

(e) CONGRESSIONAL REVIEW OF SHIPMENTS.—If the President submits a report under subsection (d), the President shall notify the appropriate congressional committees, in accordance with the procedures applicable to reprogramming notifications under section 6304 of the Foreign Assistance Act of 1961, at least 15 days before any defense articles are shipped to Lebanon, or any defense services are delivered to Lebanon, pursuant to such report.

Offered by Mr. SOLARZ of New York:

Page 645, insert the following after line 15:

SEC. 911. POLICY TOWARD THE FUTURE OF TAIWAN.

(a) FINDINGS.—The Congress finds that—

(1) although peace has prevailed in the Taiwan Strait for the past decade, on June 4, 1989, the Government of the People's Republic of China showed its willingness to use force against the Chinese people who were demonstrating peacefully for democracy; and

(2) in the Taiwan Relations Act, the United States made clear that its decision to enter into diplomatic relations with the People's Republic of China rested upon the expectation that the future of Taiwan would be determined by peaceful means.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) the future of Taiwan should be settled peacefully, free from coercion, and in a manner acceptable to the people on Taiwan; and

(2) good relations between the United States and the People's Republic of China depend upon the willingness of the Chinese authorities to refrain from the use of the threat of force in resolving Taiwan's future.

Offered by Mr. WISE of West Virginia:

Page 645, after line 15, insert the following:

SEC. 911. ECONOMIC COOPERATION WITH JAPAN.

(a) FINDINGS.—The Congress finds that—

(1) an interdependent relationship exists among the economies of the United States, Japan, and other world nations;

(2) the United States and Japan are the two world leaders in terms of both gross national product and in providing financial assistance to developing nations;

(3) cooperation between the United States and Japan continues to grow in the areas of trade, investment, finance, diplomacy, and defense;

(4) in the growing economic competition between the United States and Japan, tensions arise that threaten the natural ties between the two nations; and

(5) the United States and Japan both have significant scientific research and technological skills which can benefit each other and the world.

(b) CONGRESSIONAL STATEMENT.—It is the sense of the Congress that the Secretary of State should initiate discussions with the Government of Japan to increase scientific research, medical technology, infrastructure development, agriculture, telecommunications, environmental protection, and other areas beneficial to the United States and Japan as well as other nations in order to improve the quality of life worldwide and foster cooperation between the United States and Japan.

Offered by Mr. SOLOMON of New York:

Page 645, after line 15:

Insert the following new section:

SEC. 911. MEMBERSHIP OF THE REPUBLIC OF KOREA IN THE UNITED NATIONS.

(a) FINDINGS.—The Congress finds that—

(1) the Republic of Korea has applied for admission as a member state of the United Nations;

(2) the goals of the United Nations, which include the peaceful resolution of conflicts, will be enhanced if the Republic of Korea is admitted as a member state;

(3) the United States has a special interest in supporting the Republic of Korea, a faithful and valued ally, in this endeavor, owing to the fact that more than 50,000 Americans died in the defense of the Republic of Korea's liberty and independence during the Korean conflict of 1950 to 1953; and

(4) the issue of peace on the Korean peninsula has a particular relevance to the United Nations because a United Nations Command is still in place to assist in the defense of the Republic of Korea against aggression.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the President should actively support the application of the Republic of Korea for * * *

Offered by Mr. KOSTMAYER of Pennsylvania:

On page 645, after line 15, insert the following section, and renumber the successive sections accordingly:

SEC. 911. SENSE OF THE CONGRESS REGARDING ALLEGATIONS OF COERCIVE ABORTION IN CHINA.

It is the sense of the Congress that the People's Republic of China should be subject to export controls or other economic sanctions until the President certifies to the Congress that the Chinese Government is not engaged in a program of coercive abortion or involuntary sterilization.

Offered by Mr. MCCURDY of Oklahoma:

Page 669, strike out line 11 and all that follows through line 2 on page 670 (section 1021) and insert in lieu thereof the following:

SEC. 1021. ANGOLA.

It is the sense of the Congress that—

(1) The Government of the People's Republic of Angola and the National Union for the Total Independence of Angola (UNITA) should be commended for successfully reaching an agreement (the Estoril Accords signed on May 31, 1991) to end the conflict in Angola and to establish a process designed to lead to free and fair elections in Angola; and

(2) the United States should formulate and implement, as soon as practicable, a program of economic and humanitarian assistance under the Foreign Assistance Act of 1961 to support implementation of the Estoril Accords.

Offered by Mr. DREIER of California:

Page 669, line 12, insert "(a) STATEMENTS OF POLICY CONCERNING THE ANGOLAN CONFLICT.—" before "It".

Page 670, after line 2, insert the following:

(b) MINE CLEARING OPERATIONS IN ANGOLA.—

(1) AUTHORIZATION.—Not withstanding section 1243 of the Foreign Assistance Act of 1961, the President is authorized for the fiscal years 1992 and 1993 to use funds (other than earmarked funds) made available for economic support assistance and foreign military financing assistance, for mine clearing operations in Angola.

(2) CONTRACTS.—Should any assistance be provided to carry out paragraph (1), the Congress urges the President to use other than competitive procedures in order to expedite the procurement of services and to limit the eligibility for contracts to United States persons.

(3) REPORT.—Not more than 180 days after the date of the enactment of this Act, the President shall notify the appropriate congressional committees of any plans for using the authority under this subsection and the status of any assistance for mine clearing operations in Angola.

Offered by Mr. SOLOMON of New York, as modified:

Page 670, strike line 18 and all that follows through page 672, line 16, and insert in lieu thereof the following:

(a) FINDINGS.—The Congress finds that—

(1) thirty years of civil war, recurring cycles of drought, widespread and systematic abuses of basic human rights by the regime of Mengistu Haile Mariam, and the destructive political, economic, and social policies of the Mengistu regime have left the Ethiopian state in a condition of profound crisis and internal disarray; and

(2) without a transition to a fully representative government committed to peaceful resolution of Ethiopia's internal wars, there will be no end to Ethiopia's deep social crisis, no prospects for a transition to stability, growth, and liberty in Ethiopia, and minimal hope that the Horn of Africa will reverse the spread of devastating internal wars

that have created massive human dislocation across the region.

(b) STATEMENT OF POLICY.—The Congress—

(1) believes the demise of the regime in Ethiopia headed by Mengistu Haile Mariam represents the first important step toward realizing the hope of reconciliation and reconstruction in that country;

(2) commends those American officials and envoys who were instrumental in facilitating the success of "Operation Solomon", the swift and safe airlift of 14,000 Ethiopian Jews to Israel;

(3) supports efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future;

(4) calls upon the authorities who now exercise control over the central government in Ethiopia to protect the basic human rights of all citizens, to release from detention all political prisoners and other detainees who were apprehended by the Mengistu regime, and to facilitate the distribution of international relief and emergency humanitarian assistance throughout the country;

(5) calls upon the authorities in Eritrea to open the ports of Mitsiwa and Aseb with all deliberate speed and to permit the restoration of commerce through those ports, as well as the use of those ports in the delivery and distribution of emergency humanitarian assistance to Eritrea and to Ethiopia as a whole;

(6) urges all authorities in Ethiopia to make good faith efforts to—

(A) make permanent the cease-fire now in place and to permit the restoration of tranquility in the country, and

(B) make arrangements for a transitional government that is broadly based, that accommodates all appropriate points of view, that respects basic human rights, and that is committed to a process of reform leading to the writing of a Constitution and the establishment of a representative government;

(7) favors the resumption of economic assistance to Ethiopia for development and reconstruction in the event that there is a permanent cease-fire, clear progress toward a democratic and fully representative government, protection of basic human rights, and implementation of economic reforms; and

(8) urges the President to continue active diplomatic efforts on behalf of reconciliation and reconstruction in Ethiopia.

Page 672, line 17, redesignate section "(b)" as section "(c)";

Line 21, strike "resolve its internal wars", and insert in lieu of: "establish a democratic and fully representative government"

Line 24, redesignate section "(c)" as section "(d)"

Offered by Mr. MCGRATH of New York:

At the appropriate place, insert the following new section—

Sense of the Congress concerning the outbreak of neo-Nazi video games in Europe.

It is the sense of the House of Representatives that the degree of anti-Semitism and hatred found in video games glorifying the Holocaust is so profound that the Federal Republic of Germany and the Republic of Austria should take all applicable steps to halt the production, sales, and distribution of "KZ Manager," "Aryan Test," and other similar neo-Nazi video software.

Offered by Mr. FASCELL of Florida, as a modification of the amendment printed in the RECORD of June 11, 1991, by Mr. KANJORSKI of Pennsylvania:

Page 128, strike out line 5 and all that follows through line 22 on page 143 (sections 2301, 2302, and 2303) and insert in lieu thereof the following:

"SEC. 2301. MODERNIZATION OF DEFENSE CAPABILITIES OF COUNTRIES OF NATO'S SOUTHERN FLANK.

"(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—Notwithstanding any other provision of law and subject to subsection (b), the President may transfer to—

"(1) those member countries of the North Atlantic Treaty Organization (NATO) on the southern flank of NATO which are eligible for United States security assistance and which are integrated into NATO's military structure,

"(2) to major non-NATO allies on the southern and southeastern flank of NATO which are eligible for United States security assistance, and

"(3) those countries which received foreign military financing assistance in fiscal year 1990 and which, as of October 1, 1990, contributed armed forces to deter Iraqi aggression in the Arabian Gulf,

such excess defense articles as the President determines necessary to help modernize the defense capabilities of such countries. Such excess defense articles may be transferred without cost to the recipient countries.

"(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) the equipment is drawn from existing stocks of the Department of Defense;

"(2) no funds available to the Department of Defense for the procurement of defense equipment are expended in connection with the transfer; and

"(3) the President determines that the transfer of the excess defense articles will not have an adverse impact on the military readiness of the United States.

"(c) NOTIFICATION TO COMMITTEES OF CONGRESS.—The President may not transfer excess defense articles under this section until 30 days after he has notified the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives of the proposed transfer. This notification shall include a certification of the need for the transfer and an assessment of the impact of the transfer on military readiness of the United States.

"(d) WAIVER OR REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) shall not apply with respect to transfers of excess defense articles under this section.

"(e) MAINTENANCE OF MILITARY BALANCE IN THE EASTERN MEDITERRANEAN.—

"(1) UNITED STATES POLICY.—Excess defense articles shall be made available under this section consistent with the United States policy, established in section 5501, of maintaining the military balance in the Eastern Mediterranean.

"(2) MAINTENANCE OF BALANCE.—Accordingly, the President shall ensure that, over the 3-year period beginning on October 1, 1991, the ratio of—

"(A) the value of excess defense articles made available for Turkey under this section, to

"(B) the value of excess defense articles made available for Greece under this section, closely approximates the ratio of—

"(i) the amount of foreign military financing assistance provided for Turkey, to

"(ii) the amount of foreign military financing assistance provided for Greece.

"(f) DEFINITIONS.—As used in this section—

"(1) the term 'made available' means a good faith offer is made by the United States to furnish the excess defense articles to a country; and

"(2) the term 'member countries of the North Atlantic Treaty Organization (NATO) on the southern flank of NATO' means Greece, Italy, Portugal, Spain, and Turkey.

"(g) INELIGIBLE COUNTRIES.—Transfers may not be made under this section to any country that is not eligible to receive foreign military financing assistance at the time of the transfer.

"SEC. 2302. MODERNIZATION OF MILITARY CAPABILITIES OF CERTAIN MAJOR ILLICIT DRUG PRODUCING COUNTRIES.

"(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—Subject to the limitations in this section, the President may transfer to a country—

"(1) which is a major illicit drug producing country in Latin America and the Caribbean,

"(2) which has a democratic government, and

"(3) whose armed forces do not engage in a consistent pattern of gross violations of internationally recognized human rights,

such excess defense articles as may be necessary to carry out subsection (b).

"(b) PURPOSE.—Excess defense articles may be transferred under subsection (a) only for the purpose of encouraging the military forces and local law enforcement agencies of an eligible country in Latin America and the Caribbean to participate in a comprehensive national antinarcotics program, conceived and developed by the government of that country, by conducting activities within that country and on the high seas to prevent the production, processing, trafficking, transportation, and consumption of illicit narcotic or psychotropic drugs or other controlled substances.

"(c) USES OF EXCESS DEFENSE ARTICLES.—Excess defense articles may be furnished to a country under subsection (a) only if that country ensures that those excess defense articles will be used primarily in support of antinarcotics activities.

"(d) ROLE OF THE SECRETARY OF STATE.—The Secretary of State shall determine the eligibility of countries to receive excess defense articles under subsection (a). In accordance with section 4102, the Secretary shall ensure that the transfer of excess defense articles under subsection (a) is coordinated with other antinarcotics enforcement programs assisted by the United States Government.

"(e) DOLLAR LIMITATION.—The aggregate value of excess defense articles transferred to a country under subsection (a) in any fiscal year may not exceed $10,000,000.

"(f) CONDITIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

"(1) they are drawn from existing stocks of the Department of Defense;

"(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer; and

"(3) the President determines that the transfer of the excess defense articles will not have an adverse impact on the military readiness of the United States.

"(g) TERMS OF TRANSFERS.—Excess defense articles may be transferred under this section without cost to the recipient country.

"(h) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) does not apply with respect to transfers of excess defense articles under this section.

"(i) NOTIFICATION TO CONGRESS.—

"(1) ADVANCE NOTICE.—The President may not transfer excess defense articles under this section until 30 days after the President has provided notice of the proposed transfer to the committees specified in paragraph (2). This notification shall include—

"(A) a certification of the need for the transfer;

"(B) an assessment of the impact of the transfer on the military readiness of the value of the excess defense articles to be transferred.

"(2) COMMITTEES TO BE NOTIFIED.—Notice shall be provided pursuant to paragraph (1) to the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

"(h) INELIGIBLE COUNTRIES.—Transfers may not be made under this section to any country that is not eligible to receive foreign military financing assistance at the time of the transfer.

"SEC. 2303. NATURAL RESOURCES AND WILDLIFE MANAGEMENT.

"(a) AUTHORITY TO TRANSFER NONLETHAL EXCESS DEFENSE ARTICLES AND SMALL ARMS.—Subject to the limitations in this section, the President may transfer nonlethal excess defense articles and small arms to friendly countries and to international organizations and private and voluntary organizations for the purposes contained in section 119 of this Act (as in effect immediately prior to the effective date specified in section 1101 of the International Cooperation Act of 1991).

"(b) LIMITATION ON TRANSFERS.—Transfers under this section shall be subject to the limitations contained in section 2301(b).

"(c) TRANSPORTATION.—The Department of Defense is authorized to transport nonlethal excess defense articles and small arms made available pursuant to this section without charge on a space available basis.

"(d) WAIVER OF REQUIREMENTS FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) shall not apply with respect to transfers of nonlethal excess defense articles and small arms under this section or the transportation of such articles as authorized by subsection (c).

"(e) NOTIFICATION TO COMMITTEES OF CONGRESS.—The President may not transfer nonlethal excess defense articles and small arms under this section until 30 days after he has notified the Committee on Appropriations of each House of Congress of the proposed transfer. This notification shall include a certification of the need for the transfer and an assessment of the impact of the transfer on the military readiness of the United States. Transfers under this section shall also be subject to the notification requirements of section 2301(c) of this Act.

"SEC. 2304. ADDITIONAL AUTHORITIES RELATING TO MODERNIZATION OF MILITARY CAPABILITIES.

"(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.—Notwithstanding any other provision of law (except title V of the National Security Act of 1947) and subject to subsection (b), the President may transfer to countries for whom foreign military financing assistance was justified for the fiscal year in which the transfer is authorized, such nonlethal excess defense articles as the President determines necessary to help modernize the defense capabilities of such countries, in accordance with the provisions of this section.

"(b) LIMITATIONS ON TRANSFERS.—The President may transfer nonlethal excess defense articles under this section only if—

"(1) the equipment is drawn from existing stocks of the Department of Defense;

"(2) no funds available to the Department of Defense for the procurement of defense equipment are expended in connection with the transfer;

"(3) the President determines that the transfer of the nonlethal excess defense articles will not have an adverse impact on the military readiness of the United States; and

"(4) the President determines that transferring the articles under the authority of this section is preferable to selling them, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of either a transfer or sale.

"(c) NOTIFICATION TO CONGRESS.—The President shall notify the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate, and the Committees on Appropriations, Armed Services, and Foreign Affairs of the House of Representatives 15 days before transferring nonlethal excess defense articles under subsection (a), in accordance with the regular notification procedures of those committees.

"(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD EXPENSES.—Section 7201(d) shall not apply with respect to transfers of nonlethal excess defense articles under this section.

"(e) ANNUAL REPORT.—Commencing in 1991, not later than December 15 of each year, the President shall transmit to the committees described in subsection (c) a report with respect to the previous fiscal year which contains.—

"(1) a list of the countries to which the President has furnished nonlethal excess defense articles under the authority of this section; and

"(2) the value of the excess nonlethal defense articles that were furnished to each such country.

"(f) TRANSPORTATION AND RELATED COSTS.—(1) Except as provided in paragraph (2), funds available to the Department of Defense shall not be expended for crating, packing, handling, and transportation of nonlethal excess defense articles transferred under the authority of this section.

"(2) Notwithstanding section 7201(d) or any other provision of law, the President may direct the crating, packing, handling, and transport of nonlethal excess defense articles without charge to a country if—

"(A) that country has an agreement providing the United States with base rights in that country;

"(B) that country is eligible for assistance from the International Development Association; and

"(C) the nonlethal excess defense articles are being provided to that country under the authority of this section.

"(g) INELIGIBLE COUNTRIES.—Transfers may not be made under this section to any country that is not eligible to receive foreign military financing assistance at the time of the transfer.

Page 144, line 1, strike out "2304" and insert in lieu thereof "2305"; line 9, after "2301" and insert "or 2304"; line 15, strike out "2305" and insert in lieu thereof "2506"; and line 21, after "2303," insert "section 2304,".

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. FASCELL] will be recognized for 10 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

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

Mr. Chairman, in these amendments en bloc, we have a variety of amendments to various titles which have been agreed to by both sides of the aisle and the proponents and the opponents of amendments. The amendments are offered by both Republican and Democrat members.

A summary of the en bloc amendments is as follows:

TITLE I

1. McHugh: Increases disaster assistance;
2. Torricelli: Regarding ATI (as modified);
3. Torricelli: Two technical corrections to cargo preference;
4. Bereuter: A technical correction to cargo preference; and
5. Dorgan: Adds FMF to policies President should coordinate when allocating resources.

TITLE II

6. Dorgan: Policy on coordination of economic and security aid;
7. Broomfield: Reallocation authority for FMF (modified);
8. Broomfield: End use monitoring;
9. Hall: Adds humanitarian assistance to findings on arms transfers;
10. Hoyer: CSCE and information exchange on arms transfers (modified).

TITLE IV

11. Feighan: Technical corrections on narcotics report.

TITLE V

12. de la Garza: Enterprise for the Americas (modified).

TITLE VIII

13. Lagomarsino: International College in Lebanon;
14. Dreier: East European Business Information Center;
15. Dreier: Task force to reform application process for aid to Eastern Europe;
16. Broomfield: Sense of Congress on democracy in Albania;
17. Owens: Sense of Congress regarding Nagorno-Karabakh;
18. Campbell: Sense of Congress regarding Saudi policy towards Israel;
19. Smith of Florida: Notification requirement for military asssitance to Lebanon.

TITLE IX

20. Solarz: Sense of Congress regarding the future of Taiwan;
21. Wise: Sense of Congress regarding increased cooperation with Japan;
22. Solomon: Sense of Congress regarding membership of Korea in the U.N.;
23. Kostmayer: Sense of Congress on coercive abortions in PRC.

TITLE X

24. McCurdy: Sense of Congress on Angola;
25. Solomon: Ethiopia policy language;
26. Dreier: Mine clearing in Angola (modified).

TITLE XI

27. McGrath: Sense of Congress regarding neo-Nazi video games.

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

Mr. FASCELL. I am happy to yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, with respect to No. 8, the end use monitoring, I have been asked to enter into a colloquy with the gentleman.

I would like to ask, with respect to the amendment en bloc which deletes in subsection (a)(3) in section 2922 the word "supervision" and inserts in lieu thereof the word "monitoring," let me state the following: The committee has changed the word "supervision" to "monitoring" in section 2922(a)(3) of Title II of the Foreign Assistance Act of 1961, as amended by this bill, to emphasize the Secretary of Defense's primary responsibility of ensuring that countries acquiring U.S.-origin defense equipment under this title are using it only for the purposes authorized and have not made an unauthorized transfer of this equipment to a third country or party.

The committee in this regard primarily is concerned with major defense equipment in serviceable condition. The Secretary of Defense will take whatever measures are appropriate to fulfill this responsibility, which includes in addition to the usual intelligence collection efforts, periodic discussions with recipient countries' officials regarding the recipient countries' use and disposition of concerned equipment.

May I ask the gentleman from Florida, the committee chairman, is the gentleman in accord with the purpose of this amendment as I have stated?

Mr. FASCELL. Mr. Chairman, I will state to the gentleman that I am in accord with the purposes of the amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume. I want to comment on one of the en bloc amendments.

Mr. Chairman, I support the en bloc amendment which includes a legislative initiative that I authored.

My amendment is simple and to the point. It encourages our Government to provide assistance to Albania in the form of institution-building assistance as well as medical and humanitarian aid. We must do all we can to ensure that the flame of democracy continues to burn bright in that once-closed society.

In 1989, many nations in Eastern Europe set sail on the rising tide of democracy. Albania, however, was the last bastion of the old Communist order to resist those winds of change.

Last year, Albania began to emerge from its isolation from the world and took significant steps toward a more democratic political system. Many political prisoners were released, and independent political parties and labor unions were formed.

Although the elections held earlier this year fell short of the standards that we accept, they were the first multiparty elections in Albania in 40 years.

As the stronghold of freedom and democracy, America must do more to help the prodemocracy groups in Albania that are desperately short of resources. We should assist these groups that are committed to political pluralism and respect for human rights so that they can successfully campaign in the upcoming elections. I am confident that in the future these democratic organizations will protect the fundamental freedoms of all Albanians, to include the minorities in that country.

In recognition of the special friendship that Albania has with the United States, we should also provide medical and humanitarian assistance for the Albanian people who are experiencing difficulties during this period of great change in their country.

I encourage my colleagues to support the en bloc amendment.

□ 1820

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

Mr. FASCELL. Mr. Chairman, let me engage the gentleman from Michigan in a colloquy.

Mr. Chairman, we had one amendment listed in this en bloc group on which we still need a technical change before it is in final form.

I think, rather than creating confusion, what we should do is withdraw that amendment now and offer it in another en bloc group later on as soon as everybody is satisfied from a technical standpoint that the amendment is correct.

Mr. Chairman, I will identify the one to which I am referring. It is the last amendment in the en bloc, otherwise known as the Kanjorski amendment.

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

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Chairman, that is fine.

Mr. FASCELL. If that is agreeable to the gentleman.

Mr. BROOMFIELD. It is agreeable.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent to withdraw that amendment from the en bloc and to proceed with the others.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER of California. I thank the distinguished ranking member for yielding me this time. I rise in strong support of the en bloc amendments.

Mr. Chairman, I have two amendments that are being considered in this group specifically dealing with Eastern Europe. One of the things that has struck us is that the people of Eastern Europe are really very, very hard-pressed to comprehend many things which those of us in the Western World take for granted. One of the things that is most frustrating is that trying to emerge from decades of totalitarianism to a market-oriented economy where freedom and democracy exist is something that frankly is not very easy.

We have been trying to do a number of things with our policy here in the United States to encourage that expansion and opportunity.

The two amendments that I have in this en bloc package do just that. Our colleague from Ohio, Mr. MCEWEN, has enjoyed saying in the past what we need to do for our friends in Eastern and Central Europe is not provide them with $4 billion in U.S. aid but rather $40 billion in U.S. business private sector investment.

We have had some problems in the past with something known as CIMS, the commerce information management systems, which is a computer network designed to link up business opportunities in Eastern Europe with businesses here in the United States.

Mr. Chairman, I have been approached by a number of organizations which have an interest in providing the opportunity for this kind of computer networking to take place in the private sector. The General Accounting Office did a study which showed that there are more than a few problems with having the Department of Commerce and our Government involved with this computer networking. If we can do it at a substantially lower cost by way of the private sector, it seems to me that that is the route for us to take. That is included in this amendment. I think it is something that is very worthwhile. I appreciate the fact that the chairman and the ranking member have included it.

I am joined in cosponsoring this amendment by my colleagues from Ohio, Mr. HALL and Mr. MCEWEN, and look forward to its passage.

Mr. Chairman, the second amendment deals with improvement of the grant application process for the AID Program. Of course, we want to do everything we can to have the private sector involved here. The amendment that I have is very simple. It requires the administrator of AID to appoint a five-member task force with representatives from AID or State and three from private organizations, to look at the grants process. I think it is very worthwhile.

As we look at the challenge that we face in trying to assist the emerging democracies, it is essential that we do everything we possibly can to encourage that by way of the private sector.

Mr. Chairman, I thank my friend for yielding me this time and look forward to the en bloc amendments.

Mr. Chairman, I rise today in support of the en bloc group of amendments. I appreciate the work of Chairman FASCELL and Mr. BROOMFIELD in accommodating a number of us who have an interest in this bill.

I would like to briefly explain two amendments which I submitted which have been included in this en bloc. Both deal with the transition to freedom taking place in the former Communist satellites of Central and Eastern Europe.

The nations of this region are only now beginning to shed the dark and bitter shackles of Communist totalitarianism; only now beginning to escape from the the economic misery wrought by 40 years of economic myopia; only now beginning to comprehend the devastation to the environment and to the health of millions of unsuspecting Poles, Hungarians, Czechs, Slovaks, and Bulgarians.

These people realize that the path to economic and political freedom will be rocky. But they are willing to bear these burdens. They are willing to sacrifice short-term comfort for long-term rewards.

The people of America want to help their friends and colleagues in Eastern and Central Europe. We in the Congress want to help as well. But I think we need to be careful that our programs are based on a thoughtful understanding of the successes and failures of past programs.

One of my colleagues, the gentleman from Ohio [Mr. MCEWEN], is fond of saying that Eastern Europe doesn't need $4 billion in U.S. Government handouts, rather, it needs $40 billion in U.S. private investment. He's right.

But without accurate information about economic progress, investment laws, or environmental restrictions, few American businesses can be expected to take the plunge.

Unfortunately, this information just simply doesn't exist in an easily accessible form. What our companies need is an on-line computer network which would provide this data to any CEO with a PC on his or her desk. The Department of Commerce is in the initial planning stages for just such a system.

The problem is that Commerce has a rather poor track record in running computer network systems. In fact, the Department has spent more than 11 years and $35 million on an almost identical system called the commerce information management system, or CIMS. CIMS has been a complete disaster.

The GAO and Price-Waterhouse both recently completed studies of CIMS, and their verdict was startling. According to GAO, officials at the two most important overseas CIMS locations, Paris and London, were "unable to make any retrievals from the central data base." In Tokyo, "95 percent of the records had not been updated in 4 years." They concluded by saying that they "question whether CIMS is a viable approach for meeting U.S. information needs. Much of the information processing and distribution could be met by private computer networks."

We simply cannot afford to make the same mistake in Central and Eastern Europe. As a result, TONY HALL and I drafted an amendment requiring the Commerce Department to take the GAO's advice: Let the private sector work with you on this project.

This will expedite establishment of a system. It will streamline the U.S. bureaucracy. It will save the taxpayer dollars over the long run. And it will allow Commerce Department officials overseas to focus on other important tasks.

We pledge to work with the Department to ensure adequate funding for this program and look forward to working with the committee to oversee its growth.

I also want to say a few words about my second amendment.

During the past several weeks, a number of PVO's and other nonprofit groups have come to me to complain about problems with AID's grant application process. One umbrella organization of groups working in Poland and Hungary told me that the process has discouraged many potential volunteers and is "unnecessarily complicated and enormously time-consuming."

This is an ongoing problem. AID has ignored repeated requests from the private sector and Congress to do something about this system. The time has come for action.

My amendment is simple. It requires the Administrator of AID to appoint a five-member task force—two representatives from AID or State, and three from private organizations. The task force would be given a year to come up with a program for streamlining the system, and the Administrator would be required to implement their recommendations.

To my friends in the administration who complain about this provision, I say this: The changes in Central Europe are too important to be endangered by an unresponsive and inflexible U.S. aid policy. We have a once-in-a-lifetime opportunity to transform Central Europe, and in the same breath, influence change in Latin America, Africa, and elsewhere.

It is essential that worthy projects not be delayed or discouraged without reason. I hope that this amendment will communicate this sentiment.

I want to thank my colleagues, TONY HALL and BOB MCEWEN, for working with me on the computer network amendment. I also want to thank the committee for working with me on these provisions, and I look forward to following their implementation in the coming months.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in opposition to the Dreier amendment to privatize the Department of Commerce's Eastern European Business Information Center, based upon the following arguments:

In January 1990, the Commerce Department established the Eastern European Business Information Center [EEBIC] to respond to American companies' greatly increased need for information on doing business in Eastern Europe.

The Center was mandated by Congress under the Support for East European Democracy [SEED] Act of 1989.

EEBIC has been highly successful.

Since its opening the Center has responded to more than 40,000 requests for information from U.S. firms—particularly small- and medium-sized companies.

EEBIC now has a data base of more than 7,000 American companies serious about pursuing business opportunities in the region, and this year will build comparable data bases of East European companies.

EEBIC has produced a broad variety of written materials on each country and on opportunities for U.S. trade and investment in specific sectors.

Responding to the American business community's many requests for information on doing business in Eastern Europe—as EEBIC currently does—is an essential part of the Commerce mandate. EEBIC combines the resources of our foreign commercial officers, industry experts, and country specialists to provide detailed counseling services.

Even if a parallel organization were to be created in the private sector, American companies would continue to come to Commerce with their business questions and information needs.

During the past year Commerce has used its unique capabilities, including EEBIC resources, to pull together information from its country and industry specialists and its overseas offices to influence major business decisions in Eastern Europe.

These efforts have produced results:

The United States has become the largest foreign investor in Hungary, with investments totaling more than $700 million.

Trade and investment in Poland has recently surged. Just last week, U.S. companies concluded four major export and investment transactions, valued at more than half a billion dollars.

Commerce involvement in trade promotion events in Eastern Europe increased dramatically from just 7 events in 1989 to over 70 last year. For instance, Commerce's first time ever participation in Poland's Polagra agro-industrial fair last year produced over $100 million in United States contracts. The 1991 calendar is equally ambitious.

Several Commerce programs for Eastern Europe, including EEBIC, are part of a bold new $46 million, 4-year program to involve U.S. business in the transformation of Eastern Europe to free market economies. This program, the American Business and Private Sector Development Initiative for Eastern Europe, was announced in March by President Bush.

Mr. Chairman, I submit that setting up a private sector, duplicate organization would take at least a year and could never replicate the variety of services offered by the existing EEBIC structure. Accordingly, I urge my colleagues to defeat the Dreier amendment.

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

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I am in support of these en bloc amendments. I had proposed an amendment, which I will not offer, which had been included, in part, in the en bloc amendments. It deals with the Commission on Security and Cooperation, the confidence and security-building measures that the CSCE has pursued consistent with basket 1 of the Helsinki Final Act.

Mr. Chairman, I want to commend the chairman of the Foreign Affairs committee, Mr. FASCELL, for this outstanding leadership on this bill. I also want to take particular note of the Fascell proposal calling for an arms transfers restraint policy for the Middle East and Persian Gulf region. It is a serious and commendable attempt to address regional instability and the continuing proliferation of weapons, both conventional and unconventional. It encompasses confidence-building arms control measures such as the establishment of a centralized arms trade registry at the United Nations, cooperative verification measures, communication measures, advanced notification of military exercises, information exchanges, onsite inspections, and creation of a Mideast conflict prevention center—as appropriate means to implement an effective arms control regime.

I view this as a very constructive and promising plan to reduce the rate of international arms sales and transfers to the Middle East and gulf region. I fully support the proposal.

Still, the problem is complex and will not be solved easily; nor is it likely to be solved by one nation alone. Both buyers and sellers are spread across the globe, and one seller can quickly be replaced by another. The widespread nature of the trade, its economic importance to many supplier countries, including our own, and the legitimate need of countries to arm themselves make bans a long-term objective. It will be difficult to achieve, but that difficulty need not nor should it be reason or excuse for not putting forward proposals seeking that very objective. For to fail to address it is to concede the problem, and to condemn thousands or millions of civilians to violent deaths during the next conflict.

The difficulty, however, does not imply a shortage of multilateral steps we can take to slow transfers and to make the world community more aware of buildups as they occur. A centralized registry of arms sales and transfers will act as an early warning device of any buildup. The bill we are now considering seeks to have one established at the United Nations. Practically speaking, China may block the creation of such a registry. Having signed neither the Missile Technology Control Regime nor the Nuclear Nonproliferation Treaty, China has rather stepped up its arms promotions in recent weeks. It has shown little interest in nuclear or conventional arms control. But China's absence or reluctance need not be a bar either at the United Nations level or at other levels.

My language, which has been incorporated into the committee amendment, essentially builds upon the concept of a U.N. arms registry by calling for one within the Conference on Security and Cooperation in Europe [CSCE]. In the CSCE, we have a body containing nine of the top ten global arms suppliers—all but China.

The CSCE is ideally suited to make a contribution to increased information on arms transfers. Its military security arm has played a groundbreaking role in arms control before: The 1986 Stockholm Document was the first forum to negotiate a regime of nonrefusable inspections of conventional forces, thus paving the way for the INF regime. More recently, the participating States negotiated a groundbreaking annual exchange of military information. All participating States are required to provide information on conventional forces, equipment, budgets, weapon deployments, and exercise plans.

A requirement for disclosure of weapons sales and transfers could easily be added to this list. Moreover, a review mechanism for the information is already in place—meetings at the conflict prevention center, where States can be questioned on the information they have provided. Perhaps the arms buying motives of a State could be questioned before death and destruction on the scale we have seen in the gulf war results again.

The possibility of such an exchange has been raised at the conflict prevention center by Czechoslovakia and Poland. Czechoslovak Foreign Minister Jiri Dienstbier recently called for the CSCE to "Take measures in the field of registration and, later, control of the sale and transfer of conventional arms and equipment," although his country is one of the top ten arms-selling nations. The United States, in my opinion, should do no less.

Mr. Chairman, my language attempts to advance the timing of and improve access to information on arms sales and transfers. The CSCE deserves serious consideration because in it we have a forum with a proven record in confidence building, which contains all of the major arms sellers but China, and within which the new democracies and other countries have expressed interest in addessing arms sales and transfers. The CSCE would also be able to move forward promptly on this issue. And prompt action on this issue would demonstrate the concern of CSCE States, which provide the vast majority of the world's weapons and which have united to defeat their use in Kuwait, for preventing similar aggressions.

I have already proposed to the President as well as certain members of the arms control community, that the United States make such a proposal at the military negotiations currently taking place in Vienna. An information exchange at CSCE would be a small first step, but a concrete one, and one which would give Europe and the West the chance to show that they do not shrink from their responsibilities in the search for peace.

Mr. Chairman, my language calls on the President to do precisely that and I thank you for agreeing to accept it. And once again I want to commend and congratulate the Chairman for his exemplary leadership on an issue of such importance to all the nations of the world.

Mr. Chairman, at this time I would to enter into a brief colloquy with the Chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. Chairman, my original amendment expressed the sense of Congress that the United States should introduce, during the ongoing negotiations on confidence and security building measures at the Conference on Security and Cooperation in Europe (CSCE), a proposal regarding the international exchange of information on the sale and transfer of major weapons and equipment systems. It is my understanding that the en bloc amendment includes this language and replaces "major weapons and equipment systems" with the term "major defense equipment." Is that correct?

□ 1830

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

Mr. HOYER. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, the gentleman from Maryland [Mr. HOYER] is quite correct, and let me add that I fully appreciate the gentleman's initiative. He is quite right in the fact that CSCE, particularly in Basic I, offers a real opportunity to expand on the efforts with regard to arrangements between governments in carrying out the policy of the United States, and I think the gentleman agrees with me that there will be more and more greater use of the CSCE process to this purpose.

Mr. HOYER. Mr. Chairman, I thank the gentleman from Florida [Mr. FASCELL] for his comments.

Mr. Chairman, further questioning, my original amendment specifies that the U.S. proposal should include, among others: First, a requirement that participating States exchange annually information on sales and transfers of major weapons and equipment systems;

Second, a requirement that such information be exchanged in an agreed format to all other participating

States not later than December 15 of each year;

Third, a requirement that such information include information on any sale or transfer of major weapons and equipment systems (including any such sale or transfer of any participating State) and information regarding such sale or transfer that specifies the quantity and type of weapon or equipment that is the subject of such sale or transfer; the date of such sale or transfer; the location of such weapon or equipment prior to such sale or transfer; and the State or other party receiving such weapon or equipment; and

Fourth, a requirement that such information be discussed at the annual implementation assessment meeting at the CSCE Conflict Prevention Center.

In this regard, it is my understanding that these provisions are subsumed and included in the Committee's original recommendations in sections 242(c), 242(e)(1), and 242(e)(2). Is this correct?

Mr. FASCELL. Mr. Chairman, the gentleman from Maryland [Mr. HOYER] is absolutely correct, and the reason we subsumed that is because, not only of the gentleman's initiative, but we agree that the exchange of information in confidence-building measures is the greatest foundation upon which to make the kind of improvements that his commission is seeking to bring about.

So, Mr. Chairman, we are very pleased to include this as part of our proposal.

Mr. HOYER. Mr. Chairman, I thank the gentleman from Florida [Mr. FASCELL] for his comments and for his clarification.

Mr. FASCELL. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, I want to thank the gentleman from Florida [Mr. FASCELL] and the gentleman from New York [Mr. SOLARZ] for including en bloc the amendment I have offered which is a sense of the Congress that the Government of the United States and the Government of Japan should explore ways of cooperation. These two nations give the largest amounts of foreign assistance in the world, they have the largest gross national products, the most powerful economies, and yet we engage in this competition that has built certain tensions. Certainly, through cooperation, we can improve some of our relationship and benefit the world. These projects, for instance, to be explored would include biomedical research, medical research, infrastructure development, agriculture, those things that the world itself can benefit from our collaboration.

Mr. Chairman, this came out of a conference, the Shimoda conference held in Tokyo in December in which many on both sides, American and Japanese, expressed a common desire to engage in this type of cooperation. Hopefully, this is the first step and we can send a signal that this Congress is interested in this cooperation, and I thank both the gentleman from New York [Mr. SOLARZ] and the gentleman from Florida [Mr. FASCELL] for including this.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of the Dreier-Hall amendment which will help American businesses invest in Eastern Europe. Our amendment will establish an Eastern European business information center to provide commercial and legal information that will help our businesses find opportunities in Eastern Europe.

Mr. Chairman, this amendment is good for our domestic firms, and good for the emerging economies in Eastern Europe. Our amendment will allow the Department of Commerce to contract, on a competitive basis, with one of our own companies to gather and make available computerized information about developing markets in Eastern Europe.

This information, Mr. Chairman, is crucial to developing markets overseas and facilitating positive trade relations with Eastern Europe. Under the system, information pertaining to local economics, tax and interest rates, legal matters, trade restrictions, investment laws, and environmental regulations will be rapidly available to our companies who are looking for opportunities. Our companies will be able to subscribe to an "on-line" system which will make this readily information available.

Mr. Chairman, the Department of Commerce has been trying to set up a computerized system like this for 11 years, and has been unsuccessful. The Hall-Dreier amendment allows the Department to provide $500,000 out of existing funds to one of our private companies to set up the system. That money must be matched by $1 million in private funds.

I commend my colleagues on the House Foreign Affairs Committee for excepting this amendment, and I urge my colleagues to support it.

Mr. KLUG. Mr. Chairman, I rise today in support of the provision in the en block amendment that was orginally offered by the gentleman from Maryland [Mr. HOYER]. The provision calls for the United States to propose an international exchange of information on the sale and transfer of major weapons systems at the conference on security and cooperation in Europe.

Mr. Chairman, the recent war in the Persian Gulf illustrates the devastating effect of the unchecked transfer of weapons around the world. It also illustrates the potential of multinational cooperation. The proposal put forth in this amendment would encourage an open exchange of information of the sale and transfer of weapons. This information will allow nations to accurately assess the arms supplies and equipment of aggressive, militant nations. This proposal will encourage accountability among suppliers and discourage the transfer of offensive arms to hostile nations.

The CSCE membership includes 9 of the top 10 weapons exporting nations. Bringing together as many of these exporting nations as possible is the key to an effective program. There is no incentive for any country to refrain from selling its weapons systems if they know that there are other suppliers who will sell the arms and pocket the profits. By making the sale and purchase of weapons a matter of record we will know who brokers—at any price—weapons of mass destruction. This proposal will encompass as many buyers and sellers of conventional, chemical and biological weapons as possible.

The United States must take the lead once again and use the CSCE forum to establish an arms control program that is based on open information and cooperation. Without multilateral cooperation we cannot control the global transfer of weapons and we will witness the same type of arms escalation that led to the war in the Persian Gulf.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of the Hall amendment on conventional arms control, and I thank Chairman FASCELL for folding this amendment into the en bloc amendment.

I was pleased to have had the opportunity to work with Chairman FASCELL on the many provisions of the Arms Transfer Restraint section of this bill. This section sets guidelines for controlling the sale of arms to the Middle East and Persian Gulf region, and encourages international cooperation in setting standards for these controls.

My amendment complements this section by expanding its provisions to apply to Third World countries, particularly the poorest of the poor. Just as our language in the bill identifies an urgent need for arms control transfers to the Middle East and the Persian Gulf region, my amendment identifies an equally urgent need to apply those same controls to the Third World.

Poor countries have people with nutritional needs, health needs, and other basic needs such as adequate education and living conditions. While not losing sight of security matters, I would like to see the United States encourage Third World countries to make a better quality of life a higher priority than a larger fighting force.

I have been pressing for conventional arms control for nearly a decade. It is now the task of Congress to roll back old, outdated policies of pushing highly destructive weapons, and look towards a policy of self-restraint and international cooperation in an effort to achieve peace and stability.

I commend my colleagues on the Foreign Affairs Committee for accepting this amendment, and I urge my colleagues to support it.

Mr. ANNUNZIO. Mr. Chairman, I rise today in support of an amendment to H.R. 2508, the foreign aid bill introduced by WAYNE OWENS of Utah.

This amendment, once adopted, will clearly define the opposition of this body to the brutal attacks launched by Soviet and Azerbaijani forces against Armenian villagers in Azerbaijan, Karabagh, and Armenia. These attacks, which continue to this day, have cost the lives of nearly 100 Armenian civilians, many of whom were elderly, and resulted in the depopulation of over 30 historically Armenian villages.

It is clear that the Soviets invasion is an attempt to punish the democratically elected Government of Armenia for opting for the path to eventual independence. In this effort the Soviet Government has found a willing ally in

the Communist leadership of Azerbaijan, which sees this as an opportunity to drive the Armenians from their borders and eventually depopulate Karabagh.

The use of calculated violence and terror as political tools simply does not represent an acceptable means of managing relations with the Republics. As the elected representatives of the American people, and especially now as we consider the prospects of extending assistance to the Soviet Union, we must condemn the aggression committed against these Armenian villagers. The amendment offered today, I believe will put the Soviet leadership on notice that violent efforts to suppress democracy and self-determination factor significantly in determining the nature of our future economic and political relations with Moscow.

This amendment is nearly identical to House Resolution 163 which was introduced earlier this month. I am a proud cosponsor of that resolution, as are 35 of my colleagues. On the Senate side, a similar bill, Senate Resolution 128, introduced by Senators CARL LEVIN and ROBERT DOLE, passed without objection on May 17.

As you can see, there is considerable support, both in this Chamber and in the Senate, for a statement of congressional policy on the Soviet aggression against the Armenian people. In passing this amendment, we will clearly and forcefully voice our opposition to the terrible violence committed against the Armenian people. In the interest of preventing a recurrence of such brutality in Armenia, or anywhere in the Soviet Union, I encourage my colleagues to support this amendment.

Mr. FASCELL. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The question is on the amendment en bloc offered by the gentleman from Florida [Mr. FASCELL].

The amendments en bloc were agreed to.

AMENDMENTS OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Does the gentleman from Illinois [Mr. HYDE] ask for unanimous consent to have his amendments considered en bloc?

Mr. FASCELL. Mr. Chairman, reserving the right to object I believe this caught the gentleman from New York [Mr. SOLARZ] a little bit by surprise.

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

Mr. FASCELL. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, this is the amendment on Pakistan. I will explain it, but it will not take the gentleman from New York [Mr. SOLARZ] by surprise.

Mr. FASCELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to consideration of the amendments en bloc?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HYDE:

Page 382, line 10, strike "(1) IN GENERAL.—";

Page 382, line 17–18 strike the words", subject of paragrah (2) ";

Page 382, line 19, strike all through page 384, line 14;

Page 637, line 4, strike all through line 12;

Page 637, line 13, strike "(B)";

Page 637, line 17, insert a period after the word "Pacific" and strike all else through line 18.

Page 643, line 3, strike all through line 10;

Page 643, line 11, strike "(2)";

Page 643, line 14, insert a period after the word "Pacific" and strike all else through line 16.

Page 653, line 6, strike all through line 14;

Page 653, line 15, strike "(B)";

Page 653, line 19, insert a period after the word "Pacific" and strike all else through line 20.

Mr. HYDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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

Mr. HYDE. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent to debate this for 20 minutes, 10 minutes on each side.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. HYDE. Mr. Chairman, reserving the right to object. I have no objection to that, and the gentleman from New York [Mr. SOLARZ] has agreed to it.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HYDE. Mr. Chairman, I ask unanimous consent that the debate on this amendment and amendments thereto be limited to 20 minutes, to be divided 10 minutes for the proponents, and 10 minutes for the opponents.

Mr. SOLARZ. Mr. Chairman, reserving the right to object, I thought I heard the Clerk say "amendments" plural. I was under the impression the gentleman was offering a single amendment.

Mr. HYDE. Mr. Chairman, I think the Clerk inadvertently lisped.

The CHAIRMAN pro tempore. Part of the gentleman's amendment goes to title IX.

Mr. HYDE. It is one amendment, through, Mr. Chairman.

Mr. SOLARZ. That is the amendment which has the effect of eliminating Pressler; burying it?

Mr. HYDE. Mr. Chairman, I would hope destroy or casting it into exterior darkness, oblivion.

Mr. SOLARZ. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN pro tempore. The time for debate is limited to 20 minutes, 10 minutes for proponents, and 10 minutes for opponents.

Mr. HYDE. Mr. Chairman and my colleagues, this is a relatively simple amendment, and it is about Pakistan. There is in the law an amendment known as the Pressler amendment, and it only applies to one country on the globe, Pakistan. It is country-specific, and the Pressler amendment says that the President must certify that Pakistan, not India, not Israel, not China, but Pakistan does not have a nuclear device.

Now, if the President cannot certify that Pakistan does not have a nuclear device, all aid is cut off of any size, shape, description or type to that country, and I seek to eliminate the Pressler amendment from applying to Pakistan, the only country to which it applies, and I also seek to correct the bill which, having denied Pakistan any aid whatsoever, has taken the liberty of redistributing whatever they were going to get around the globe to various and sundry countries.

For example, Mr. Chairman, they have taken $21 million of United States assistance funds that would have gone to Pakistan, and the chairman, I guess, of the Asiatic Pacific Subcommittee has bestowed it on Burmese students, on Nepal, and the South Pacific region. There are $107 million that would have gone to Pakistan. That goes to Africa, and $50 million for voluntary contributions to international organizations which we have not been able to identify.

Now I want to point something out. Pakistan is an ally of our country. Pakistan sent two brigades to the front in Desert Storm. Pakistan has been host for 3 million Afghan refugees for many, many years. Pakistan sent troops to Korea when we were fighting there.

Pakistan is a friend of ours. Why do we treat her this way? Someone once said that our foreign policy is like a dog with a psychiatric condition. It barks at our friends and wags its tail at our enemies. Here is Pakistan, a good friend of ours, a Muslim country I might add, and it is not easy for a Muslim country to provide 10,000 troops to fight with us against a Muslim country in Desert Storm. Do we not give any credit to a country because of that?

□ 1840

Now, I am very concerned about nuclear proliferation. I do not want any more members of the nuclear club.

Do you know what we have now? We have five declared nuclear weapons states: the United States, the Soviet Union, Great Britain, France, and

China. There are four states, however, that are reportedly de facto nuclear weapons states: India, and I do not know what is de facto, if they have exploded their nuclear devices as long ago as 1974, Israel, Pakistan, and South Africa.

There are seven states that have taken significant steps toward the acquisition of a nuclear weapons capability: Argentina, Brazil, Iran, Iraq, Libya, North Korea, and Taiwan.

Mr. Chairman, I am very concerned about the proliferation of nuclear weapons. But why do we select a friend of ours, an ally that has expressed that friendship in many ways over many years, and say, "You do not get a dime's worth of aid because you may have a nuclear device?"

India, we would not think about it. Israel, we do not look. China, the Soviet Union, we are falling all over ourselves to see how we can get some aid to the Soviet Union. But Pakistan, you go outside. You are out.

I do not think that is a fair way. I do not think it is an intelligently honest way. I do not think it is a useful way to treat an ally.

So what this amendment does, it deletes that Pressler amendment. It leaves in place, I might add, lots of nuclear nonproliferation language. It does not say, "Go ahead and build your bomb." This amendment leaves intact section 6201(a)(5) and section 6206 of the bill. These provisions, which have the virtue of relating to every country, not just one country specific, provide general authority for the President to halt assistance to any nation which delivers or accepts nuclear technologies or weapons outside the norms of acceptable international guidelines.

Mr. Chairman, all I am saying is I am uncomfortable being a hypocrite. I am uncomfortable ignoring India, which has exploded one as long ago as 1974. I am uncomfortable as we give most-favored-nation status to China, which is a nuclear country, and as we look for ways to support the Soviet Union in its duress. Of course, I need say nothing about our aid to Israel, which has the bomb. But Pakistan, you are a pariah. You leave the auditorium.

Mr. Chairman, that makes us hypocritical. That makes us an ingrate to an ally that has indeed put itself on the line as host to millions of Afghan refugees, relieving the world of quite a job, and as supplying troops at Desert Storm and in Korea, and many other reasons.

Mr. Chairman, I say eliminate the Pressler amendment, treat Pakistan as we treat every other country in the world, and recapture these funds that have been so blissfully dispensed all over the globe back where they ought to be, to an ally and a friend, Pakistan.

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

Mr. Chairman, what is at stake in this amendment is not whether or not we like Pakistan, but our efforts to prevent Pakistan from acquiring nuclear weapons, as well as the viability of our international global nuclear nonproliferation policy.

Far from having singled out Pakistan for discriminatory treatment, the truth is that over the course of the last decade we have treated Pakistan very, very well. They have received between $5 billion and $6 billion in American military and economic assistance. Pakistan is the only country in South Asia that has received over 50 of our high-performance combat aircraft, the F–16. It is the only country in South Asia with which we have a bilateral defense commitment. So we have treated Pakistan very well.

But, for over a decade now, one of the major objectives in our foreign policy vis-a-vis Pakistan has been to prevent Pakistan from acquiring nuclear weapons. That was one of the major justifications for providing Pakistan with billions of dollars in American military assistance. The theory was that if we gave them this kind of aid, perhaps they would not feel the need to acquire nuclear weapons.

But in spite of our efforts to prevent them from getting nuclear weapons, Pakistan continued with its efforts. So a few years ago the Congress adopted the so-called Pressler amendment, which said no more aid to Pakistan unless the President certifies that Pakistan does not have a nuclear device, and the continuation of our aid will enhance the prospects for preventing them from acquiring a nuclear device.

Now the President is unable to submit a Pressler certification, because Pakistan has continued its efforts to acquire nuclear weapons. The last thing our country needs is an overt nuclear arms race on the subcontinent. If we give the green light for Pakistan to go ahead, then surely India will attempt to match it as well. Given the animosities and tensions which continue to exist in that part of the world, an area where India and Pakistan have already gone to war three times in the last four decades, and where another war cannot be ruled out, there would be a very real possibility of a nuclear conflict between those two countries, which could have catastrophic consequences, not just for them, but for us.

Mr. Chairman, if the Hyde amendment is adopted, it will mean that we have lost whatever chance we still have of inducing Pakistan to refrain from acquiring nuclear weapons. Whereas if we reject the Hyde amendment and they comply with the Pressler amendment, they stand to gain about one-quarter of $1 billion in American military and economic assistance. That ain't peanuts. It is a significant inducement.

Mr. Chairman, I believe it would be a tragedy if we abandoned the last best chance we have of preventing Pakistan from going nuclear, which is what would happen if the Hyde amendment is adopted.

But it is not just our efforts to prevent Pakistan from acquiring nuclear weapons which is at stake here. We just waged and won a war in the Persian Gulf, partly because we wanted to prevent Iraq from acquiring nuclear weapons. Now we are trying to get Iraq to comply with the cease-fire resolution, which obligates it to turn over its highly enriched uranium, which gives it the capacity to make nuclear weapons in the future.

Mr. Chairman, if we adopt the Hyde amendment, if we abandon our efforts to prevent Pakistan from acquiring nuclear weapons, what conclusions do you think that Saddam Hussein will reach in Baghdad? He will conclude that we are not really serious about attempting to prevent him from acquiring nuclear weapons as well, and our prospects for getting Iraq to comply with the cease-fire resolution and to turn over its highly enriched uranium will be greatly diminished.

Mr. Chairman, I think that we have a lot at stake here. Not just our efforts to prevent a nuclear arms race on the subcontinents, but our efforts to prevent the spread of nuclear weapons in the Persian Gulf.

Mr. Chairman, I would very strongly urge Members to reject the Hyde amendment, and to maintain our commitment to the prohibition of the spread of nuclear weapons elsewhere.

Finally, let me just say that the fact that we may not have succeeded in our efforts to prevent every country in the world that wants to get nuclear weapons from getting them, does not mean we should abandon our efforts to prevent any country which wants nuclear weapons from getting them. It cannot be in our interest to have Pakistan obtain nuclear weapons. The President and the administration do not want Pakistan to acquire nuclear weapons. Yet if this amendment is adopted, that is virtually a certainty.

Mr. HYDE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, I support this amendment, and I encourage my colleagues to do likewise.

The amendment is fair and brings coherence to our policy in that it proposes to treat a staunch ally, Pakistan, the same as every other country that has the potential to develop a nuclear explosive device.

However, it also continues to meet nuclear proliferation concerns. It leaves intact those provisions in H.R. 2508 that provide the President with authority to halt assistance to nations that engage in nuclear weapons proliferation outside acceptable international guidelines.

It also provides the administration the necessary flexibility to meet the challenges of the quickly changing international system while maintaining an appropriate executive-congressional role in foreign policy. This is something the administration has requested, and that the Foreign Affairs Committee has stated is among its goals.

I believe the amendment sends a necessary message to Pakistan that our bilateral relations are important and that we do not want a further deterioration in them.

The amendment says that the American people are committed to nuclear nonproliferation which is expressed through a consistent policy that treats every nation, including Pakistan, alike.

Finally, this amendment tells Pakistan that we seek to continue working together in resolving our differences, and that our relationship will not be constrained by arbitrary deadlines.

These are important reasons for supporting this amendment, Mr. Chairman, and I again urge our colleagues to vote for the Hyde amendment.

□ 1850

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

Mr. Chairman, Pakistan, or Pakistan, I am perhaps using the uncool pronunciation, but Pakistan is surrounded by nuclear countries: India, China, and the U.S.S.R. Now, to expect Pakistan to give up its move toward a nuclear weapon is to ask them to stand naked before some very predatory countries. That is unreasonable and it is not going to happen.

We are married to a theory called mutual assured destruction. We believe in a theory called mutual assured destruction. If we have bounds and the Soviet Union has bounds and we can each destroy each other, the balance of terror keeps the peace.

Why does not the mutual assured destruction work over in India and Pakistan and China and the Soviet Union? Why only Pakistan shall be naked in a nuclear sense surrounded by nuclear countries? Why do we take away assistance to Pakistan, an ally and a friend, and we give it to India?

I would like to ask the gentleman from New York to please tell me why we give almost $100 million to India, which has a nuclear device, and we are going to cut Pakistan off? Can the gentleman give me the answer to that? Is that not hypocritical?

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

Mr. HYDE. I yield to the gentleman from New York.

Mr. SOLARZ. I do not think it is hypocritical. The aid we provide India, the $100 million to which the gentleman is referring, is titled to a PL–480. It is humanitarian food assistance to the most needy children in India, and it is utterly unrelated to any nuclear program that India may have.

Mr. HYDE. But we cannot give PL–480 to Pakistan under this Pressler amendment. So why the distinction?

Mr. SOLARZ. If the gentleman will continue to yield, the distinction arises, if I may say so to my friend from Illinois, because in the case of India, they had a nuclear explosion 17 years ago. Forces that were at war left the barn. Once it became clear Pakistan was trying to acquire a nuclear response, we made a judgment that it would not be in our interest to have a nuclear arms race in the subcontinent, and we are trying to prevent the Pakistani force from leaving the barn as well.

Mr. HYDE. The nuclear arms race has already left the starting gate. China has got it. India has got it. The Soviet Union has got it. The only one the gentleman wants to disarm is our friend, our ally that stood with us in Desert Storm, and the gentleman is going to cut them off. That is hypocritical. That is a double standard. That is unjust and unfair, and I hope Members will support my amendment.

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

Can the Chair tell me how much time I have remaining?

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The gentleman from Illinois [Mr. HYDE] has 1 minute remaining.

Mr. HYDE. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. WILSON].

Mr. WILSON. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Illinois. There is absolutely no reason why Pakistan and India should be treated differently, particularly since Pakistan has been a stalwart friend of the United States and an absolutely essential supporter of the Mujaheddin, and India has been just the opposite.

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

Mr. SOLARZ. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FASCELL] the distinguished chairman of the Committee on Foreign Affairs.

Mr. FASCELL. Mr. Chairman, there is logic on both sides of this argument, and certainly the proliferation of forces out of the barn, as the gentleman from Illinois [Mr. HYDE] said. Nevertheless, there is a special reason for not supporting the Hyde amendment right now.

Pakistan is the only country that has violated all of the arrangements that we have tried to work with regard to nuclear safeguards, and they have done it over and over again. Here our administration has finally come to the point just recently where we terminated the aid.

Now, it might be wise to restore the aid. It might be wise to have some conditions. It may be wise to consider some regional arrangement. But I do not think it is wise to one day terminate the aid and then by legislative act put the aid back in again. I think that would be a very bad precedent, a very bad statement, and not good policy.

Mr. SOLARZ. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from New York [Mr. SOLARZ] has 3 minutes remaining.

Mr. SOLARZ. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DYMALLY], the distinguished chairman of the Subcommittee on Africa.

Mr. DYMALLY. Mr. Chairman, I rise in opposition to the amendment. This money from Pakistan has been wisely included in the development fund for Africa to help an area which is badly in need of it.

The arguments for not giving money to Pakistan have been well made by the gentleman from New York [Mr. SOLARZ], and the gentleman from Florida [Mr. FASCELL]. I just need to remind Members that this money is being well used because of Pakistan's failure to comply with our law. Therefore, I urge Members to reject this amendment.

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

I just want to add how many of those African countries sent troops to Desert Storm to stand with us as we fought the Iraqis?

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

Mr. HYDE. I yield to the gentleman from California.

Mr. DYMALLY. Senegal did. An entire planeload of Senegalis died.

Mr. HYDE. Then let us give money to Senegal, but not to the rest of the continent. Pakistan will sign a nuclear nonproliferation treaty 2 seconds after India does it or simultaneously with India. It is hypocritical to cut off an ally that stood with us when the going was tough and to send money to other countries that did not lift a finger in Desert Storm.

Mr. Chairman, I yield back the balance of my time.

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

I am going to be very brief in conclusion. We are all grateful that Pakistan sent some troops to Saudi Arabia after the Iraqi invasion of Kuwait, but let us not go overboard in giving them credit for this. Not a single Pakistani soldier, not a single Pakistani plane actually participated in the liberation of Kuwait.

In fact, during the war the Pakistani Chief of Staff publicly called on Pakistan to tilt toward Iraq.

What is at stake with the Hyde amendment is a very simple proposition. If Members think it is perfectly OK for Pakistan to go nuclear and to get nuclear weapons, vote for the Hyde amendment. But if Members want to

take the last best chance we have of preventing Pakistan from getting nuclear weapons and inaugurating the nuclear arms race in the subcontinent, then vote against the Hyde amendment because that is really what is at stake here.

I urge the rejection of the Hyde amendment and the vindication of our historic nuclear nonproliferation policy in the subcontinent.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Illinois [Mr. HYDE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote. A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 252, not voting 28, as follows:

[Roll No. 151]

AYES—151

Alexander	Goss	Pickle
Allard	Gradison	Pursell
Andrews (TX)	Gunderson	Quillen
Anthony	Hall (TX)	Ravenel
Applegate	Hammerschmidt	Regula
Archer	Hancock	Rhodes
Armey	Hansen	Ridge
Baker	Hastert	Ritter
Barnard	Hayes (LA)	Roberts
Barrett	Henry	Rogers
Barton	Herger	Rohrabacher
Bateman	Hobson	Roth
Bentley	Holloway	Rowland
Bereuter	Houghton	Sangmeister
Bliley	Hubbard	Santorum
Boehner	Huckaby	Saxton
Brewster	Hunter	Schaefer
Broomfield	Hyde	Schiff
Bunning	Ireland	Schulze
Burton	Jenkins	Shaw
Byron	Johnson (TX)	Skeen
Callahan	Kanjorski	Skelton
Campbell (CO)	Klug	Slaughter (VA)
Chandler	Kolbe	Smith (NJ)
Coble	Kyl	Smith (TX)
Coleman (MO)	Lagomarsino	Solomon
Combest	Laughlin	Spence
Coughlin	Lehman (CA)	Stenholm
Crane	Lent	Stump
Cunningham	Lewis (CA)	Sundquist
Davis	Lewis (FL)	Tallon
DeLay	Lightfoot	Tauzin
Derrick	Lipinski	Taylor (NC)
Dickinson	Livingston	Thomas (CA)
Doolittle	Lloyd	Thomas (WY)
Dornan (CA)	Lowery (CA)	Thornton
Dreier	McCrery	Torricelli
Duncan	McEwen	Vander Jagt
Emerson	McMillan (NC)	Volkmer
Fawell	Michel	Vucanovich
Fields	Miller (OH)	Walker
Fish	Molinari	Walsh
Gallegly	Montgomery	Weber
Gallo	Moorhead	Wilson
Gaydos	Moran	Wolf
Gekas	Myers	Wylie
Geren	Nichols	Young (AK)
Gilchrest	Nussle	Zeliff
Gillmor	Ortiz	Zimmer
Gilman	Packard	
Gingrich	Paxon	

NOES—252

Abercrombie	Atkins	Bilbray
Ackerman	AuCoin	Bilirakis
Anderson	Bacchus	Boehlert
Andrews (ME)	Beilenson	Bonior
Andrews (NJ)	Bennett	Borski
Annunzio	Berman	Boucher
Aspin	Bevill	Brooks
Browder	Horn	Payne (VA)
Brown	Hoyer	Pease
Bruce	Hughes	Pelosi
Bryant	Hutto	Penny
Camp	Inhofe	Perkins
Cardin	Jacobs	Peterson (FL)
Carper	James	Peterson (MN)
Carr	Jefferson	Petri
Clay	Johnson (CT)	Pickett
Clement	Johnson (SD)	Porter
Clinger	Johnston	Poshard
Coleman (TX)	Jones (GA)	Price
Collins (IL)	Jontz	Rahall
Collins (MI)	Kaptur	Ramstad
Condit	Kasich	Rangel
Conyers	Kennedy	Ray
Cooper	Kennelly	Reed
Costello	Kildee	Richardson
Cox (CA)	Kleczka	Riggs
Cox (IL)	Kopetski	Rinaldo
Coyne	Kostmayer	Roemer
Cramer	LaFalce	Ros-Lehtinen
Dannemeyer	Lancaster	Rose
Darden	Lantos	Roybal
de la Garza	LaRocco	Russo
DeFazio	Leach	Sabo
DeLauro	Levin (MI)	Sanders
Dellums	Levine (CA)	Sarpalius
Dicks	Lewis (GA)	Savage
Dingell	Long	Sawyer
Dixon	Lowey (NY)	Scheuer
Donnelly	Luken	Schroeder
Dooley	Machtley	Schumer
Dorgan (ND)	Manton	Sensenbrenner
Downey	Markey	Serrano
Durbin	Marlenee	Shays
Dwyer	Martinez	Sikorski
Dymally	Matsui	Sisisky
Early	Mavroules	Skaggs
Eckart	Mazzoli	Slattery
Edwards (CA)	McCandless	Slaughter (NY)
Edwards (OK)	McCloskey	Smith (FL)
Edwards (TX)	McCollum	Smith (IA)
Engel	McCurdy	Snowe
English	McDermott	Solarz
Erdreich	McGrath	Spratt
Espy	McHugh	Staggers
Evans	McMillen (MD)	Stallings
Fascell	McNulty	Stark
Fazio	Meyers	Stearns
Feighan	Mfume	Stokes
Flake	Miller (CA)	Swett
Foglietta	Miller (WA)	Swift
Ford (MI)	Mink	Synar
Ford (TN)	Moakley	Tanner
Frank (MA)	Mollohan	Taylor (MS)
Franks (CT)	Moody	Thomas (GA)
Frost	Morella	Torres
Gejdenson	Morrison	Towns
Gibbons	Mrazek	Traficant
Glickman	Murphy	Traxler
Gonzalez	Nagle	Unsoeld
Gordon	Natcher	Upton
Grandy	Neal (MA)	Vento
Gray	Neal (NC)	Visclosky
Green	Nowak	Washington
Guarini	Oakar	Waters
Hall (OH)	Oberstar	Waxman
Hamilton	Obey	Weiss
Harris	Orton	Weldon
Hatcher	Owens (NY)	Wheat
Hayes (IL)	Owens (UT)	Whitten
Hefley	Pallone	Williams
Hefner	Panetta	Wise
Hertel	Parker	Wolpe
Hoagland	Patterson	Wyden
Hochbrueckner	Payne (NJ)	Yatron

NOT VOTING—28

Ballenger	Kolter	Roukema
Boxer	Lehman (FL)	Sharp
Bustamante	Martin	Shuster
Campbell (CA)	McDade	Smith (OR)
Chapman	Mineta	Studds
Gephardt	Murtha	Valentine
Goodling	Olin	Yates
Hopkins	Oxley	Young (FL)
Horton	Roe	
Jones (NC)	Rostenkowski	

□ 1921

Mr. RICHARDSON and Mr. DE LA GARZA changed their vote from "aye" to "no."

Mr. LAUGHLIN and Mr. HANSEN changed their vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. PANETTA). The Chair would inform the chairman and the ranking member on the committee that of the 8 hours of debate on the amendments, 2 hours and 3 minutes remain.

Mr. LEVINE of California. Mr. Chairman, I rise today to urge my colleagues to vote against the Smith amendment and to retain the integrity of the family planning provisions of the bill.

H.R. 2508 contains two major provisions to improve worldwide family planning efforts and to return the United States to its historic leadership role in population control. The first provision overturns the Mexico City policy. In 1984, the Mexico City policy was established to deny U.S. family planning funds to any nongovernmental organization which uses separate funding to perform abortions, refers for abortions, or gives women nondirective counseling and information about all legal pregnancy-related options. In a time when emerging democracies are looking to the United States for support of their efforts, the current administration shows an appalling lack of care. In Romania, the chilling consequences of Ceausecu's coercive child-bearing policies are painfully evident: Overflowing orphanages, soaring maternal and infant mortality rates, the women and children damaged by life-threatening and illegal abortions.

The Mexico City policy dicates that neither the U.N. Fund for Population Activities nor the International Planned Parenthood Federation are eligible to provide much needed birth control to women because these organizations provide abortion counseling, albeit with their own funds. Mr. Chairman, we have exported the U.S. horrendous gag rule. This misguided attempt to lower the number of abortions performed worldwide has done no such thing. Instead, it has served only to undermine and tie up family planning efforts abroad.

Congress has the chance today to overturn the unfair Mexico City policy, which the Foreign Affairs Committee voted to overturn when it considered this bill. I strongly support retaining the bill's language as it is written presently and restoring family planning efforts to where they were before the adoption of this outrageous policy in 1986.

The second provision in the bill that I speak in support of is restoring funding to the U.N. Fund for Population Assistance. UNFPA is one of the most respected and effective family planning and health care groups in the world. UNFPA has programs in 140 countries that provide funding and technical assistance for maternal and child health care, family planning, data collection, analysis, and research. It does not provide abortion services of support whatsoever. The Reagan administration, however, cut off all assistance to the UNFPA in 1986, alleging that UNFPA supported involuntary abortions and sterilizations in China. This action occurred despite contrary conclusions reached by U.S. Aid staff and despite UNFPA's explicit policy in opposition to any forced or coerced family planning or abortion.

Whatever occurred in China, the bill expressly prohibits from occurring again. The language in the bill will prevent the use of United States population funds in China and retain the language prohibiting the use of United States funds for abortion or involuntary sterilization anywhere in the world. Over the next few decades, over 3 billion people, most of whom are in Third World countries, will become of child-bearing age. Congress must renew its commitment to population control now, in order to alleviate the drastic problems caused by overpopulation. It can do so by refunding the UNFPA and by overturning Mexico City.

I urge my colleagues to join with me in defeating the Smith amendment.

Ms. SLAUGHTER of New York. Mr. Chairman, I rise today in strong support of the provisions of H.R. 2508 which earmark $15 million in technical assistance to the democratically elected local governments of the Baltic States and other Republics of the Soviet Union. This assistance, while relatively nominal, sends a clear and important message to the people of the Baltic States, Ukraine, and other Soviet Republics that the U.S. Congress supports their aspirations and that we are willing to help them in their democratic reforms.

The stipulation in the bill that United States aid may only be provided not to the central Soviet Government but, instead, directly to the freely elected governments of the Baltic States and other eligible Soviet Republics is crucial to the success of our objective. Indeed, this direct-aid stipulation was the key provision of House Joint Resolution 179, a strategy for expanding United States support for the Baltic States introduced by the Helsinki Commission with my full support and sponsorship.

As a member of the Helsinki Commission delegation which met with leaders of the Baltic States earlier this year, I was encouraged by the progress these emerging democracies have made toward economic independence. For example, in Riga, Latvian Prime Minister Godmanis spoke proudly of his government's developing economic policy which includes the adoption of a budget and the creation of a tax system.

Despite these great strides made in economic planning, the Latvian Government, like the Lithuanian and Estonian Governments, has much to learn. Direct communication and consultation with representatives from the United States are critical to the development and success of the democratic movement in the Baltic States. I am deeply gratified, then, that the House Foreign Affairs Committee endorsed in its report on H.R. 2508 initiatives which allow representatives from the legislatures of the Baltic States and other elected Soviet Governments to come to the United States and learn first-hand those aspects of the operations of our own Congress which could be usefully transferred to their legislatures.

I am proud to support H.R 2508 as an important first step in reshaping United States foreign policy in the Soviet Union to meet the challenges of a new world order built upon a growing global commitment to communication, democratization, and human rights.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Nebraska [Mr. BEREUTER] on behalf of himself and the gentleman from North Dakota [Mr. DORGAN] and the gentleman from Missouri [Mr. WHEAT]. I commend my colleagues from the Hunger Committee for their excellent and diligent work in introducing this important piece of legislation to promote a new approach to development assistance in the Horn of Africa. I'm proud to have been an original cosponsor of the Horn of Africa Recovery and Food Security Act of 1991, which was the basis for this amendment. It is urgently needed work.

The countries of the Horn of Africa—Ethiopia, Sudan, and Somalia—are among the poorest and most troubled countries in the world. War and famine have killed over 2 million people in Ethiopia and Somalia alone since 1985. It is an area, more than any other I know, that deserves the special attention and fresh approach that this amendment promotes.

The ongoing cycle of famine and war have long made the Horn a top priority of the Hunger Committee. The famine is now threatening over 10 million people in the Sudan—only half of the 21 million facing famine throughout the Horn—and the continuing turmoil in Somalia, all argue for greater attention to this region. We have held numerous hearings on these countries year after year, and I am extremely happy to see the initiative taken by my colleagues on the Horn.

In emphasizing the use of international private voluntary organizations and indigenous nongovernmental organizations to provide relief and development assistance, the legislation offers a positive new direction in U.S. foreign assistance. Working in partnership, these grassroots organizations offer the best hope for this war-torn region. With the recent events in the Horn, particularly the end of the 30-year war in Ethiopia, there is more hope for peaceful resolutions to some of the ongoing conflicts than there has been for years.

I commend my colleagues for offering this valuable piece of legislation which attempts to break the deadly cycle of war and poverty in the Horn. Until this happens, no true development or rehabilitation can occur. I urge my colleagues to support this amendment.

Mr. LEVINE of California. Mr. Chairman, I rise in strong support of the arms transfers restraint policy for the Middle East and Persian Gulf region which is included in the Foreign Assistance Act for fiscal years 1992 and 1993.

If we have learned anything from the mistakes of the past, it is that more weapons do not bring more peace and stability to the region. Rather than reverting to the practice of throwing arms at a region that is already armed to the teeth, we should take advantage of the spirit of international cooperation that characterized efforts in the Persian Gulf to enact a multilateral arms restraint regime now.

The Persian Gulf war demonstrated the dangers of arming ruthless dictators and unstable regimes with sophisticated weaponry capable of threatening our vital interests in the region. Saddam's possession of weapons of mass destruction and his ability to threaten the region's stability underscores the dire need to restrain the flow of arms to this region.

Following the successful allied effort to liberate Kuwait, I introduced legislation to curtail weapons sales to the Middle East, the Middle East Post-War Stability and Arms Restraint Act of 1991.

Much of my bill has been incorporated into the arms control provisions of this bill. The most significant of these provisions calls on the President to form a multilateral arms control regime to curtail the flow of arms to the region and establishes an indefinite multilateral moratorium on arms sales to the Middle East.

By demonstrating restraint, the United States can lead the way to form an effective and far-reaching arms supplier control regime which will greatly enhance the stability of the region without jeopardizing the legitimate security needs of our friends in the region.

I look forward to working with the administration to attain this goal. I am also encouraged by the President's plan to hold a conference next month of major powers to discuss limits on arms sales to the Middle East.

However, I am stupefied that just weeks after the President announced his Middle East arms control initiative, Defense Secretary Dick Cheney said that the United States would sell 20 Apache gunships to the United Arab Emirates and 8 to Bahrain. Just yesterday, Congress received notification of the Apache sale to UAE. I joined my colleagues in sponsoring a resolution of disapproval of this sale.

It is also my understanding that the White House is considering selling 337 M1–A1 tanks and approximately 160 Bradley fighting vehicles to the United Arab Emirates. Together with the Apache sale, this deal would total more than $2.1 billion.

This is a strange notion of arms control. Rather than introducing more sophisticated weaponry into the region, the United States should stand firm to its commitment to slow and then reverse arms transfers to the Middle East. This administration must understand that friendship and stability cannot be bought with arms.

Mr. Chairman, arms control is critical to ending the cycle of violence in the Middle East. American men and women should never have to go abroad again to defend American interests against tyrants armed with Western weapons and Western technology.

Ms. SLAUGHTER of New York. Mr. Chairman, 30 years of civil war in Guatemala have left more than 200,000 innocent civilians dead as a corrupt and ruthless army ran rampant through that Central American country. Under the ineffectual and repressive rule of former President Vinicio Cerezo such gross violations of human rights went largely uninvestigated and unprosecuted.

The election of a new President, Jorge Serrano, in January of this year brought new hope to the international community that the human rights situation would take a turn for the better. In the 5 months since Serrano's inauguration, there has been on abatement of violence or repression. The killings, torture, and disappearances persist, while the United States, to date, has offered no incentive to the Guatemalan Government to change its ways.

Today, we say things must change in Guatemala. The U.S. Congress insists that the violent crimes of the military be investigated and prosecuted. We insist that the intimidation and harassment of Guatemalan human rights organizations be ceased. We insist upon a greater respect in Guatemala for the rights of freedom

of the press, speech, assembly, and association. And we watch with great hope and concerned vigilance as the peace dialog between the Serrano government and the Guatemalan National Revolutionary Unity [URNG] launched in Mexico in April continues.

The International Cooperation Act of 1991—H.R. 2508—explicitly and commendably links United States aid to Guatemala to human rights and negotiated peace states Congress will not subsidize a terrorist military. We must be certain that our precious few foreign aid dollars are spent to promote democracy, development, and human rights. The provisions in H.R. 2508 which condition aid to Guatemala take an important and historic step toward accomplishing this goal.

Mr. LEVINE of California. Mr. Chairman, I rise in strong support of Congressman HALL's amendment on child survival activities and basic education programs. These funds will go a long way toward achieving the objectives set by the World Summit for Children in September.

Regrettably, millions of children die unnecessarily each year because of the extreme poverty that exists in developing countries. But as many as 50 million can be saved over the next decade if the simple preventive health measures that would be funded by this amendment's earmarks are implemented. Congressman HALL's amendment earmarks $275 million in fiscal year 1992 and $335 million in 1993 from development and economic aid accounts for child survival activities such as childhood vaccination and oral rehydration therapy. These programs have been shown to have been extremely effective in the past. This body must take the steps to commit America's share of the necessary resources to make universal childhood immunization a reality. There is no excuse for sitting idly by while millions of children in poverty-stricken countries are dying.

In addition, his amendment earmarks funds for basic education programs in developing countries. Illiteracy and lack of basic math skills have been a significant barrier to development and to the long-term programs that should be implemented if the world's poorest populations are to be able to help themselves. Again, we must pay particular attention to the children in these countries and to teacher training.

Lastly, this amendment would establish as U.S. policy the promotion of access to food and medical care as basic human rights, including protection of these rights during armed conflicts. In many war-torn countries, we have seen the increasingly prevalent practice of using food distribution and medical care as a weapon. Combatant forces have adopted the terrible practice of attacking aid shipments and withholding these basic needs of human life from civilians—including children—simply because these civilians live in territory controlled by the opposing force. These forces have exacerbated existing famines and in some cases created famine where none need exist. The United States cannot condone this practice and has a responsibility to make every effort to protect civilian access to food and medical care.

Mr. Chairman, I urge my colleagues to support the Hall en bloc amendment.

Mr. FASCELL. 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. JONES of Georgia) having assumed the chair, Mr. PANETTA, 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. 2508) to amend the Foreign Assistance Act of 1961 to rewrite the authorities of that act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and to redesignate that act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1992 and 1993, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, I was called to Pennsylvania on emergency business and missed rollcall vote 151. Had I been present, however, I would have voted "nay."

PERSONAL EXPLANATION

Mr. BALLENGER. Mr. Speaker, I missed the rollcall vote on the Hyde amendment to legislation authorizing U.S. foreign aid programs. I would like the RECORD to show that had I been present, I would have voted "aye" on rollcall No. 151.

MAKING IN ORDER DURING FURTHER CONSIDERATION OF H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991, POSTPONEMENT OF RECORDED VOTES AND REDUCTION OF TIME FOR VOTES ON AMENDMENTS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 2508, the Chairman of the Committee of the Whole be authorized to postpone recorded votes, if ordered, on any amendment to the bill until later that legislative day, and that he be authorized to reduce to a minimum of 5 minutes the period of time for recorded votes after the first vote in any series.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

MAKING IN ORDER DURING FURTHER CONSIDERATION OF H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991, ONLY AMENDMENTS PRINTED IN CONGRESSIONAL RECORD ON OR BEFORE JUNE 12, 1991

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that during the further consideration of H.R. 2508, under House Resolution 170, only those amendments to the bill printed in the CONGRESSIONAL RECORD on or before June 12, 1991, be in order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 2608, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–107) on the resolution (H. Res. 174) waiving certain points of order during consideration of the bill (H.R. 2608) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON H.R. 2621, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS, APPROPRIATIONS BILL, 1992

Mr. OBEY, from the Committee on Appropriations, submitted a privileged report (Rept. No. 102–108) on the bill (H.R. 2621) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. EDWARDS of Oklahoma reserved all points of order on the bill.

REPORT ON H.R. 2622, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 1992

Mr. OBEY, from the Committee on Appropriations, submitted a privileged report (Rept. No. 102–109) on the bill (H.R. 2622) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1992, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. WOLF reserved all points of order on the bill.

CONFERENCE REPORT ON S. 64, EDUCATION COUNCIL ACT OF 1991

Mr. KILDEE submitted the following conference report and statement on the

Senate bill (S. 64) to provide for the establishment of a National Commission on a Longer School Year, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-110)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 64) to provide for the establishment of a National Commission on a Longer School Year, 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 Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Education Council Act of 1991".

SEC. 2. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Table of contents.

TITLE I—NATIONAL EDUCATION COMMISSION ON TIME AND LEARNING

Sec. 101. Short title.
Sec. 102. National Education Commission on Time and Learning.

TITLE II—NATIONAL WRITING PROJECT

Sec. 201. Findings.
Sec. 202. National Writing Project.

TITLE III—MISCELLANEOUS

PART A—CIVIC EDUCATION PROGRAM

Sec. 301. Instruction on the history and principles of democracy in the United States.

PART B—LAW-RELATED EDUCATION PROGRAM

Sec. 311. Amendment to law-related education program.

TITLE IV—NATIONAL COUNCIL ON EDUCATION STANDARDS AND TESTING

Sec. 401. Short title.
Sec. 402. Purpose and findings.
Sec. 403. Establishment.
Sec. 404. Duties.
Sec. 405. Reports.
Sec. 406. Membership.
Sec. 407. Director and staff; experts and consultants.
Sec. 408. Powers of Council.
Sec. 409. Federal Advisory Committee Act.
Sec. 410. Authorization of Appropriations.
Sec. 411. Termination.

TITLE I—NATIONAL EDUCATION COMMISSION ON TIME AND LEARNING

SEC. 101. SHORT TITLE.

This title may be cited as the "National Education Commission on Time and Learning Act".

SEC. 102. NATIONAL EDUCATION COMMISSION ON TIME AND LEARNING.

(a) ESTABLISHMENT.—There is hereby established a National Education Commission on Time and Learning (hereafter in this title referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall consist of nine members, of whom—

(A) 3 members shall be appointed by the Secretary of Education (hereafter in this Act referred to as the "Secretary");

(B) 3 members shall be appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives; and

(C) 3 members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader and minority leader of the Senate.

(2) REQUIREMENTS.—

(A) After consultation among the appointing authorities, members of the Commission shall be appointed on the basis of exceptional education, training, or experience from among—

(i) the Nation's Governors;

(ii) individuals from the business community;

(iii) individuals who are engaged in the profession of teaching;

(iv) individuals engaged in school administration, members of school boards, and parents or representatives of parents or parent organizations;

(v) State officials directly responsible for education;

(vi) Federal officials responsible for education policy;

(vii) educational researchers with experience relevant to the Commission's work;

(viii) Members of Congress and State legislators; and

(ix) representatives of nonprofit organizations or foundations which work to expand educational opportunities for children outside of school hours;

(3) VACANCIES.—A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) TERMS.—Members of the Commission shall be appointed to serve for the life of the Commission.

(5) COMPENSATION.—Each member of the Commission shall serve without compensation, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(6) ACTIVITY OF COMMISSION.—The Commission may begin to carry out its duties under this subsection when at least 5 members of the Commission have been appointed.

(c) FUNCTIONS OF THE COMMISSION.—

(1) STUDY.—The Commission shall examine the quality and adequacy of the study and learning time of elementary and secondary students in the United States, including issues regarding the length of the school day and year, the extent and role of homework, how time is being used for academic subjects, year-round professional opportunities for teachers, and the use of school facilities for extended learning programs.

(2) REPORT.—The Commission shall submit a final report under subsection (d). The report shall include an analysis and recommendations concerning—

(A) the length of the academic day and the academic year in elementary and secondary schools throughout the United States and in schools of other nations;

(B) the time children spend in school learning academic subjects such as English, mathematics, science, history, and geography;

(C) the use of incentives for students to increase their educational achievement in available instruction time;

(D) how children spend their time outside school with particular attention to how much of that time can be considered "learning time" and how out-of-school activities affect intellectual development;

(E) the time children spend on homework, how much of that time is spent on academic subjects, the importance that parents and teachers attach to homework, and the extent to which homework contributes to student learning;

(F) year-round professional opportunities for teachers and how teachers can use their time to acquire knowledge and skills that will permit them to improve their performance and help raise the status of the profession;

(G) how school facilities are used for extended learning programs;

(H) the appropriate number of hours per day and days per year of instruction for United States public elementary and secondary schools;

(I) if appropriate, a model plan for adopting a longer academic day and academic year for use by United States elementary and secondary schools by the end of this decade, including recommendations regarding mechanisms to assist States, school districts, schools, and parents in making the transition from the current academic day and year to an academic day and year of a longer duration;

(J) suggestions for such changes in laws and regulations as may be required to facilitate States, school districts, and schools in adopting longer academic days and years; and

(K) an analysis and estimate of the additional costs, including the cost of increased teacher compensation, to States and local school districts if longer academic days and years are adopted.

(d) COMMISSION REPORT.—Not later than 2 years after the Commission concludes its first meeting, the Commission shall submit a final report to the Congress and the Secretary on the study and any recommendations required pursuant to the provisions of this section.

(e) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may, for the purpose of carrying out this section, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) TESTIMONY; PUBLIC HEARINGS.—In carrying out this section, the Commission shall receive testimony and conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the quality and adequacy of the time devoted to study and learning.

(3) INFORMATION.—The Commission may secure directly from any Federal agency such information, relevant to its functions, as may be necessary to enable the Commission to carry out this subsection. Upon request of the Chairman of the Commission, the head of the agency shall, to the extent permitted by law, furnish such information to the Commission.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of money, services, or property, for the purpose of aiding the work of the Commission.

(5) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as the department and agencies of the United States.

(6) SUPPORT SERVICES.—The Secretary shall provide to the Commission on a reimbursable basis such reasonable administrative and support services as the Commission may request.

(f) ADMINISTRATIVE PROVISIONS.—

(1) MEETINGS.—The Commission shall meet on a regular basis, as necessary, at the call of the Chairman or a majority of its members.

(2) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(3) CHAIRMAN AND VICE CHAIRMAN.—

(A) The Chairman and Vice Chairman of the Commission shall be elected by and from the members of the Commission.

(B) The Commission shall appoint a staff director, who shall be paid at a rate not to exceed the maximum rate of basic pay under section 5376 of title 5, United States Code, and such professional and clerical personnel as may be reasonable and necessary to enable the Commission to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and

without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification, and General Schedule rates, except that no employee, other than the staff director, may be compensated at a rate to exceed the maximum rate applicable to level 15 of the General Schedule.

(4) OTHER FEDERAL PERSONNEL.—Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, without reimbursement, any personnel of such agency to the Commission to assist the Commission in carrying out its duties under this title. Such detail shall be without interruption or loss of civil service status or privilege.

(g) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for each of the fiscal years 1991, 1992, and 1993 to carry out the provisions of this title.

TITLE II—NATIONAL WRITING PROJECT

SEC. 201. FINDINGS.

The Congress finds that—

(1) the United States faces a crisis in writing in schools and in the workplace;

(2) only 25 percent of 11th grade students have adequate analytical writing skills;

(3) over the past two decades, universities and colleges across the country have reported increasing numbers of entering freshmen who are unable to write at a level equal to the demands of college work;

(4) American businesses and corporations are concerned about the limited writing skills of entry-level workers, and a growing number of executives are reporting that advancement was denied to them due to inadequate writing abilities;

(5) the writing problem has been magnified by the rapidly changing student populations in the Nation's schools and the growing number of students who are at risk because of limited English proficiency;

(6) most teachers in the United States elementary schools, secondary schools, and colleges, have not been trained to teach writing;

(7) since 1973, the only national program to address the writing problem in the Nation's schools has been the National Writing Project, a network of collaborative university-school programs whose goal is to improve the quality of student writing and the teaching of writing at all grade levels and to extend the uses of writing as a learning process through all disciplines;

(8) the National Writing Project offers summer and school year inservice teacher training programs and a dissemination network to inform and teach teachers of developments in the field of writing;

(9) the National Writing Project is a nationally recognized and honored nonprofit organization that recognizes that there are teachers in every region of the country who have developed successful methods for teaching writing and that such teachers can be trained and encouraged to train other teachers;

(10) the National Writing Project has become a model for programs in other academic fields;

(11) the National Writing Project teacher-teaching-teachers program identifies and promotes what is working in the classrooms of the Nation's best teachers;

(12) the National Writing Project teacher-teaching-teachers project is a positive program that celebrates good teaching practices and good teachers and through its work with schools increases the Nation's corps of successful classroom teachers;

(13) evaluations of the National Writing Project document the positive impact the project has had on improving the teaching of writing, student performance, and student thinking and learning ability;

(14) the National Writing Project programs offer career-long education to teachers, and teachers participating in the National Writing Project receive graduate academic credit;

(15) each year approximately 85,000 teachers voluntarily seek training through word of mouth endorsements from other teachers in National Writing Project intensive summer workshops and school-year inservice programs through one of the 141 regional sites located in 43 States, and in 4 sites that serve United States teachers teaching overseas;

(16) 250 National Writing Project sites are needed to establish regional sites to serve all teachers;

(17) 13 National Writing Project sites in 8 different States have been discontinued in 1988 due to lack of funding; and

(18) private foundation resources, although generous in the past, are inadequate to fund all of the National Writing Project sites needed and the future of the program is in jeopardy without secure financial support.

SEC. 202. NATIONAL WRITING PROJECT.

(a) AUTHORIZATION.—The Secretary is authorized to make a grant to the National Writing Project (hereafter in this section referred to as the "grantee"), a nonprofit educational organization which has as its primary purpose the improvement of the quality of student writing and learning, and the teaching of writing as a learning process in the Nation's classrooms—

(1) to support and promote the establishment of teacher training programs, including the dissemination of effective practices and research findings regarding the teaching of writing and administrative activities;

(2) to support classroom research on effective teaching practice and to document student performance; and

(3) to pay the Federal share of the cost of such programs.

(b) REQUIREMENTS OF GRANT.—The grant shall provide that—

(1) the grantee will enter into contracts with institutions of higher education or other nonprofit educational providers (hereafter in this section referred to as "contractors") under which the contractors will agree to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of writing;

(2) funds made available by the Secretary to the grantee pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating teacher training programs as provided in paragraph (1); and

(3) the grantee will meet such other conditions and standards as the Secretary determines to be necessary to assure compliance with the provisions of this section and will provide such technical assistance as may be necessary to carry out the provisions of this section.

(c) TEACHER TRAINING PROGRAMS.—The teacher training programs authorized in subsection (a) shall—

(1) be conducted during the school year and during the summer months;

(2) train teachers who teach grades kindergarten through college;

(3) select teachers to become members of a National Writing Project teacher network whose members will conduct writing workshops for other teachers in the area served by each National Writing Project site; and

(4) encourage teachers from all disciplines to participate in such teacher training programs.

(d) FEDERAL SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2) or (3) and for purposes of subsection (a), the term "Federal share" means, with respect to the costs of teacher training programs authorized in subsection (a), 50 percent of such costs to the contractor.

(2) WAIVER.—The Secretary may waive the provisions of paragraph (1) on a case-by-case basis if the National Advisory Board described in subsection (f) determines, on the basis of financial need, that such waiver is necessary.

(3) MAXIMUM.—(A) The Federal share of the costs of teacher training programs conducted pursuant to subsection (a) may not exceed $40,000 for any one contractor, or $200,000 for a statewide program administered by any one contractor in at least 5 sites throughout the State.

(B) The grantee under section 202, or any school or institution of higher education that receives funds under this section shall not spend more than 10 percent of the Federal funds it receives under this section for administrative costs.

(4) SPECIAL RULE.—For the purposes of this subsection, the costs of teacher programs do not include the administrative costs, publication cost, or the cost of providing technical assistance to the grantee.

(e) CLASSROOM TEACHER GRANTS.—

(1) IN GENERAL.—The National Writing Project may reserve an amount not to exceed 5 percent of the amount appropriated pursuant to the authority of this section to make grants, on a competitive basis, to elementary and secondary school teachers to enable such teachers to—

(A) conduct classroom research;

(B) publish models of student writing;

(C) conduct research regarding effective practices to improve the teaching of writing; and

(D) conduct other activities to improve the teaching and uses of writing.

(2) SUPPLEMENT AND NOT SUPPLANT.—Grants awarded pursuant to paragraph (1) shall be used to supplement and not supplant State and local funds available for the purpose set forth in paragraph (1).

(3) MAXIMUM GRANT AMOUNT.—Each grant awarded pursuant to this subsection shall not exceed $2,000.

(f) NATIONAL ADVISORY BOARD.—

(1) ESTABLISHMENT.—The National Writing Project shall establish and operate a National Advisory Board.

(2) COMPOSITION.—The National Advisory Board established pursuant to paragraph (1) shall consist of—

(A) national educational leaders;

(B) leaders in the field of writing; and

(C) such other individuals as the National Writing Project deems necessary.

(3) DUTIES.—The National Advisory Board established pursuant to paragraph (1) shall—

(A) advise the National Writing Project on national issues related to student writing and the teaching of writing;

(B) review the activities and programs of the National Writing Project; and

(C) support the continued development of the National Writing Project.

(g) EVALUATION.—The Secretary shall reserve not more than $150,000 from the total combined amount appropriated pursuant to the authority of this section for fiscal years 1991, 1992, and 1993 to conduct an independent evaluation by grant or contract of the teacher training programs administered pursuant to this Act. Such evaluation shall specify the amount of funds expended by the National Writing Project and each contractor receiving assistance under this section for administrative costs. The results of such evaluation shall be made available to the appropriate committees of the Congress.

(h) RESEARCH AND DEVELOPMENT ACTIVITIES.—

(1) GRANTS AUTHORIZED.—From amounts available to carry out the provisions of this sub-

section, the Secretary, through the Office of Educational Research and Improvement, shall make grants to individuals and institutions of higher education to conduct research activities involving the teaching of writing.

(2) Priority.—(A) In awarding grants pursuant to paragraph (i), the Secretary shall give priority to junior researchers.

(B) The Secretary shall award not less than 25 percent of the funds received pursuant to subsection (i)(2) to junior researchers.

(C) The Secretary shall make available to the National Writing Project and other national information dissemination networks the findings of the research conducted pursuant to the authority of paragraph (1).

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for the grant to the National Writing Project, $10,000,000 for fiscal year 1991 and such sums as may be necessary for fiscal years 1992 and 1993 to carry out the provisions of this section.

(2) RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated $500,000 for fiscal year 1991 to carry out the provisions of subsection (h).

(j) DEFINITIONS.—As used in this Act—

(1) the term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965;

(2) the term "junior researcher" means a researcher at the assistant professor rank or the equivalent who has not previously received a Federal research grant; and

(3) the term "Secretary" means the Secretary of Education.

TITLE III—MISCELLANEOUS

PART A—CIVIC EDUCATION PROGRAM

SEC. 301. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

Part F of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3151 et seq.) is amended—

(1) by redesignating section 4608 (as added by Public Law 100-297) as section 4610; and

(2) by inserting before section 4610 (as redesignated by paragraph (1) of this section) the following:

"SEC. 4609. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

"(a) GENERAL AUTHORITY.—

"(1) PROGRAM ESTABLISHED.—The Secretary shall carry out a program to educate students about the history and principles of the Constitution of the United States, including the Bill of Rights, and to foster civic competence and civil responsibility. Such program shall be known as 'We the People . . . The Citizen and the Constitution'.

"(2) EDUCATIONAL ACTIVITIES.—The program required by paragraph (1) shall continue and expand the educational activities of the National Bicentennial Competition of the Constitution and Bill of Rights administered by the Center for Civic Education.

"(3) CONTRACT AUTHORIZED.—The Secretary is authorized to enter into a contract with the Center for Civic Education to carry out the program required by paragraph (1).

"(b) PROGRAM CONTENT.—The education program authorized by this section shall provide—

"(1) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and Bill of Rights;

"(2) school and community simulated congressional hearings following the course of study at the request of participating schools; and

"(3) an annual competition of simulated congressional hearings at the congressional district, State, and national levels for secondary students who wish to participate in such program.

"(c) PROGRAM PARTICIPANTS.—The education program authorized by this section shall be made available to public and private elementary schools in the 435 congressional districts, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

"(d) SPECIAL RULE.—Funds provided under this section may be used for the advanced training of teachers about the Constitution and Bill of Rights after the provisions of subsection (b) have been implemented.

"(e) REPORT.—The Secretary shall report on a biennial basis, to the appropriate committees of the Congress on the distribution and use of funds authorized pursuant to the authority of subsection (f).

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provisions of this section.".

PART B—LAW-RELATED EDUCATION PROGRAM

SEC. 311. AMENDMENT TO LAW-RELATED EDUCATION PROGRAM.

Section 1565 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2965) is amended—

"(1) in subsection (a)—

(A) by inserting "(1)" before "(a)"; and

(B) by adding at the end the following:

"(2) The Secretary shall give priority for grants and contracts under this section to agencies, organizations, and institutions described in paragraph (1) that plan to operate statewide programs.

"(3)(A) Except as provided in subparagraph (B), the Secretary shall award grants and enter into contracts under this section for periods of 2 or 3 years.

"(B) The Secretary may award a grant or enter into a contract under this section for a period of less than 2 years in any case in which the Secretary determines that special circumstances exist."; and

"(2) by adding at the end the following:

"(d) APPLICATIONS.—

"(1) Any agency, organization, or institution described in subsection (a)(1) that desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(2) The Secretary shall convene a panel of experts for purposes of reviewing applications submitted under paragraph (1). Such experts shall be individuals who have experience in and are familiar with law-related education.".

TITLE IV—NATIONAL COUNCIL ON EDUCATION STANDARDS AND TESTING

SEC. 401. SHORT TITLE.

This title may be cited as the "National Council on Education Standards and Testing Act".

SEC. 402. PURPOSE AND FINDINGS.

(a) PURPOSE.—The purpose of this title is to create a national council to provide advice on the desirability and feasibility of national standards and testing in education.

(b) FINDINGS.—The Congress finds that—

(1) organizations have begun developing national education standards for various subject areas and grade levels;

(2) groups have called for the expansion of national testing for school children;

(3) decisions regarding the desirability and feasibility of additional national testing should follow such decisions on national standards for education;

(4) efforts regarding national standards and testing should be undertaken with the broadest possible participation by the public; and

(5) a major national council is needed to assure broad participation by the public, to provide a focus for national debate on national education standards and testing, and to provide advice on the desirability and feasibility of developing national standards and testing.

SEC. 403. ESTABLISHMENT.

There is established a council to be known as the National Council on Education Standards and Testing (in this title referred to as the "Council").

SEC. 404. DUTIES.

The Council shall advise the American people on—

(1) whether suitable specific education standards should and can be established, such as world class standards, for—

(A) the knowledge and skills that students should possess and that schools should impart in order that American students leave grades 4, 8, and 12 demonstrating competency in challenging subject matter including English, mathematics, science, history, and geography; and

(B) every school in America to ensure that all students learn to use their minds well so that they will be prepared for responsible citizenship, further learning, and productive employment in our modern economy; and

(2) whether, while respecting State and local control of education, an appropriate system of voluntary national tests or examinations should and can be established, such as American achievement tests, that will provide prompt, accurate information to parents, educators, and policymakers on the progress being made toward the specific education standards by individual students, schools, school systems, States, and the Nation as a whole (if such standards can be established). The goal of any such system shall be to foster good teaching and learning, as well as to monitor performance.

SEC. 405. REPORTS.

(a) FINAL REPORT.—The Council shall, as soon as possible, but not later than December 31, 1991, submit a report to the Congress, the Secretary of Education, and the National Education Goals Panel that contains recommendations regarding long-term policies, structures, mechanisms, and other important considerations with respect to the objectives described in paragraphs (1) and (2) of section 404. A discussion of the validity, reliability, fairness, and costs of implementing a system of voluntary national tests or examinations shall also be included in such report.

(b) INTERIM REPORTS.—The Council may submit to the Congress, the Secretary of Education, and the National Education Goals Panel interim reports it considers appropriate.

SEC. 406. MEMBERSHIP.

(a) IN GENERAL.—The Council shall be composed of 32 members as follows:

(1) The Secretary of Education shall appoint 22 members to include at least one representative from each of the following:

(A) The Administration.

(B) The Commission on Achievement of Necessary Skills.

(C) The National Assessment Governing Board.

(D) State legislators.

(E) Chief State school officers.

(F) School administrators.

(G) Elementary or secondary school teachers.

(H) Institutions of higher education.

(I) Individuals with expertise in education standards and testing.

(J) National teacher organizations.

(2) The Chairperson or a designee of the National Education Goals Panel.

(3) The Governor designated to serve as Chairperson of the National Education Goals Panel for the year succeeding the year in which such panel is meeting (or a designee).

(4) The Speaker of the House of Representatives shall appoint 1 member (excluding Members of Congress).

(5) The minority leader of the House of Representatives shall appoint 1 member (excluding Members of Congress).

(6) The majority leader of the Senate shall appoint 1 member (excluding Members of Congress).

(7) The minority leader of the Senate shall appoint 1 member (excluding Members of Congress).

(8) The Chairman of the Committee on Education and Labor of the House or a designee.

(9) The ranking minority member of the Committee on Education and Labor of the House or a designee.

(10) The Chairman of the Committee on Labor and Human Resources of the Senate or a designee.

(11) The ranking minority member of the Committee on Labor and Human Resources of the Senate or a designee.

(b) VACANCIES.—A vacancy in the Council shall be filled in the manner in which the original appointment was made.

(c) TERM OF APPOINTMENT.—Members shall be appointed for the life of the Council.

(d) QUORUM.—17 members of the Council shall constitute a quorum.

(e) COCHAIRPERSONS.—The Chairperson of the National Education Goals Panel or a designee and the Governor designated to serve as the Chairperson for the succeeding year in which the panel is meeting (or a designee) shall serve as cochairpersons of the Council upon the date of the enactment of this title.

(f) COMPENSATION.—

(1) MEMBER.—Except as provided in paragraph (2), members of the Council shall each be reimbursed at a rate not to exceed the rate of pay for level III of the Executive Schedule for each day (including travel time) during which they are engaged in the performance of duties vested in the Council.

(2) EXCEPTION.—Members of the Council who are fulltime officers or employees of the United States or Members of Congress shall receive no additional compensation by reason of their service on the Council.

SEC. 407. DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The cochairpersons of the Council shall, without regard to the provisions of title 5, United States Code relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay for level III of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The cochairpersons may appoint personnel as they consider appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay for level V of the Executive Schedule.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3019(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Council to assist the Council in its duties under this title.

SEC. 408. POWERS OF COUNCIL.

(a) HEARINGS.—The Council may, for the purpose of this title, hold hearings, sit and act at the times and places, take testimony, and receive evidence, the Council considers appropriate. The Council may administer oaths or affirmations to witnesses appearing before it.

(b) DELEGATION OF AUTHORITY.—Any member or agent of the Council may, if authorized by the Council, take any action the Council is authorized to take by this section.

(c) INFORMATION.—The Council may secure directly from any department or agency of the United States information necessary to enable it to carry out this title. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish the information to the Council to the extent permitted by law.

(d) GIFTS AND DONATIONS.—Subject to the regulations established under paragraph (2), the Council may accept, use, and dispose of gifts or donations of services or property.

(2) The Cochairpersons of the Council are authorized to establish regulations setting forth the criteria the Council shall use to determine whether the acceptance of gifts or donations or services under paragraph (1) would reflect unfavorably upon the ability of the Council or any employee to carry out its responsibilities or official duties in a fair and objective manner, or would compromise the integrity of or the appearance of the integrity of a government program or any official involved in such program.

(e) MAILS.—The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) SUPPORT SERVICES.—The Secretary of education shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 409. FEDERAL ADVISORY COMMITTEE ACT.

Sections 10 and 11 of the Federal Advisory Committee Act (5 U.S.C. App.) are the only sections of such Act that shall apply with respect to the Council.

SEC. 410. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $1,000,000 to carry out this title which shall remain available until expended or until the termination of the Council, whichever occurs first.

SEC. 411. TERMINATION.

The Council will cease to exist 90 days after submitting its final report.

And the House agree to the same.

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

In lieu of the matter proposed to be inserted by the House amendment to the title of the bill insert the following: "An Act to authorize appropriations to establish a National Education Commission on Time and Learning and a National Council on Education Standards and Testing, and for other purposes.".

And the House agree to the same.

WILLIAM D. FORD,
DALE E. KILDEE,
G. MILLER,
BILL GOODLING,
STEVE GUNDERSON,
Managers on the Part of the House.

EDWARD M. KENNEDY,
CLAIBORNE PELL,
HOWARD M. METZENBAUM,
ORRIN HATCH,
NANCY LANDON KASSEBAUM,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF THE CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 64) to provide for the establishment of a National Commission on a Longer School Year, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

ESTABLISHMENT OF A NATIONAL COMMISSION ON A LONGER SCHOOL YEAR

Senate bill

Title I of the Senate bill establishes a nine member commission, appointed by the President, Speaker of the House and President pro tempore of the Senate, which shall study and issue a report to the President and Congress on the advisability of extending the school day and or school year in U.S. elementary and secondary schools. For this purpose, the bill authorizes to be appropriated $1 million for fiscal year 1991 and such sums as may be necessary in each of the fiscal years 1992 through 1994.

House amendment

The House Amendment has no comparable provisions.

Conference agreement

House recedes with an amendment which changes the title of Title I to National Education Commission on Time and Learning; substitutes the Secretary of Education for the President in the apportionment process; changes the categories of persons from which appointments to the Commission may be made; modifies the description of the study that the Commission is mandated to conduct; modifies the deadline for the study so that the Commission must report to Congress not later than 2 years after the date of its first meeting; provides that the federal agency providing support services to the Commission shall be the Department of Education; provides a ceiling on the compensation of the Commission's director and staff, and provides that the authorization of appropriations shall be $1 million for each of fiscal years 1991, 1992, and 1993.

While the Commission is required to submit a final report to the Congress and the Secretary within two years of its first meeting, the conferees expect that the Commission will provide the House and Senate committees of jurisdiction with interim reports on the progress of their work.

NATIONAL WRITING PROJECT

Senate bill

Title II of the Senate bill authorizes the Secretary of Education to make a grant to the National Writing Project—

1. to support and promote the establishment of teacher training programs;

2. to support classroom research on effective teaching practices and to document student performance; and

3. to pay for the federal share of such programs.

The Senate bill contains specific requirements related to each of the authorized activities, to the awarding of grants (including priority consideration of certain applicants), and to the establishment of a National Advisory Board. Finally, this title of the bill authorizes to be appropriated for fiscal year 1991 $10,000,000 for the National Writing Project and $500,000 for research and development.

House amendment

The House amendment contains no comparable provisions.

Conference agreement

House recedes with an amendment which limits the percentage of federal funds which the grantee may spend on administration; and changes the evaluation provision to require the Secretary of Education to conduct, by grant or contract, an independent evaluation of the National Writing Project.

With regard to the teacher training programs for teachers in disciplines other than English under the National Writing Project, the conferees intend that the focus of such training be to motivate and enable teachers to incorporate writing as a basic element of all subjects. As a result, it is expected that students will develop improved writing attitudes and gain greater understanding of writing as a basic tool for communication regardless of the discipline.

INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES

Senate bill

Title II of the Senate bill amends Title IV of the Elementary and Secondary Education Act to require the Secretary of Education to carry out a program to educate students about the history and principles of the U.S. Constitution, including the Bill of Rights, and to foster civic competence and responsibility. This title contains specific provisions related to the authorized contract, program, and participants. To carry out this title, the bill authorizes to be appropriated $5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993.

House amendment

The House Amendment contains no comparable provisions.

Conference agreement

The House recedes with an amendment which requires biennial reports to the Congress relative to the "We the People . . ." program. Additionally, the conference agreement amends Part B of Chapter 2 of Title I of the Elementary and Secondary Education Act to require the Secretary of Education, in administering the law-related education program, to give application priority to statewide programs, to make 2 or 3 year assistance awards, and to convene panels of experts for the purpose of reviewing applications for assistance.

NATIONAL COUNCIL ON EDUCATION STANDARDS AND TESTING

Senate bill

The Senate bill contains no comparable provisions.

House amendment

The House amendment creates the "National Council on Education Standards and Testing Act" which establishes a 32 member National Council on Education Standards and Testing to advise the American people on—

1. whether suitable specific education standards should and can be established and

2. whether, while acknowledging state and local control of education, an appropriate system of voluntary national tests or examination should and can be established.

The amendment also provides that the Council shall, as rapidly as possible, but not later than December 31, 1991, submit a report to the Congress, the Secretary of Education, and to the National Education Goals Panel (as well as interim reports as appropriate).

Finally, the House amendment authorizes to be appropriated $1,000,000 to carry out this Act, provides that the Council shall receive support services from the Department of Education, and provides that the Council will cease to exist 90 days after submitting its final report.

Conference agreement

Senate recedes.

Section 406(a) of the agreement provides that the congressionally-specified congressional members of the Council may select designees who are other members of Congress, experts from outside of the Congress, or congressional staff.

The conference agreement, in section 406(f), provides that members of the Council who are officers and employees of the United States shall receive no additional compensation by reason of their service on the Council. The intention of the managers is to prohibit such officers and employees from concurrently accepting compensation for service on the Council and their regular federal salaries. Subject to applicable laws and regulations, it is not intended to preclude reimbursement for travel expenses (i.e., transportation, lodging, and meals) associated with their service on the Council.

The Senate receded to the House on the issue of the appointment of a Director of the Council, While agreeing that cochairpersons of the Council shall appoint such a Director, the Conferees urge the Governors to appoint a person who is knowledgable in the technical and policy aspects of testing and assessment, does not have a strong, preconceived opinion on the desirability and feasibility of national standards and testing, and is not part of any other public entity which has an official opinion on these issues or a vested interest in the outcome of the Council's work. The Conferees feel strongly that without such a director, the results of the Council's work could be compromised.

Because the Council must work quickly to accomplish its mandate, the conferees expected that the Department will immediately begin implementation of this act of following its enactment, even if the authorized appropriation is not yet available. The conferees express our clear understanding with the Administration that the Council established under this Title will supercede the previously appointed interim advisory council to the National Goals Panel.

WILLIAM D. FORD,
DALE E. KILDEE,
G. MILLER,
BILL GOODLING,
STEVE GUNDERSON,
Managers on the Part of the House.

EDWARD M. KENNEDY,
CLAIBORNE PELL,
HOWARD M. METZENBAUM,
ORRIN HATCH,
NANCY LANDON KASSEBAUM
Managers on the Part of the Senate.

COMMEMORATING 75TH ANNIVERSARY OF CHARTERING OF BOY SCOUTS OF AMERICA

Mr. BRYANT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution (H.J. Res. 207) commemorating the 75th anniversary of the chartering, by an act of Congress, of the Boy Scouts of America, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. SMITH of New Jersey. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Texas to explain the resolution.

Mr. BRYANT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, today, I thank my chairman, Mr. BROOKS, for discharging House Joint Resolution 207 to honor the 75th anniversary of the charter of the Boy Scouts of America from further committee consideration, so that we can honor the June 15 date.

On June 15, 1916, President Woodrow Wilson signed into law the legislation authorizing a congressional charter for the Boy Scouts of America. This Saturday, we will celebrate the diamond anniversary of that event.

I am proud, on behalf of the 175 other Members of Congress, including the gentleman from New Jersey [Mr. SMITH] who are cosponsors, to ask our colleagues this evening to honor Scouting, a program whose "purpose * * * shall be to promote * * * the ability of young people to do things for themselves and others, to train them in Scoutcraft, to teach them patriotism, courage, self-reliance, and kindred virtues, using the methods now in common use by the Boy Scouts."

I believe it fitting to express congressional appreciation for the public service performed by the Boy Scouts in enriching the lives of our Nation's young men.

A BSA survey conducted during the 101st Congress shows that 332 Members of Congress were involved in Scouting in one way or another—as Scouts, leaders—or both; and I am sure that all of us have benefited from Scouting influence in some way.

Since its inception in 1908, Scouting has served over 83 million young men. Currently, the membership in the Boy Scouts is around 5½ million Scouts and adult volunteer leaders.

Scouts have contributed their services not only to their communities, but to our Nation. During World War I, Scouts participated in the war effort by selling Liberty Loans and war savings stamps, and by distributing Government literature. The Scouts also contributed their services during World War II by distributing defense bonds,

stamp posters, and collecting aluminum and wastepaper for recycling to aid the war effort.

In 1987 the Boy Scouts began to address the five unacceptables of American society—drug abuse, hunger, child abuse, illiteracy, and youth unemployment. Nationwide programs were developed to educate young people about drug abuse and the need to conserve our natural resources.

Scouting will endure because its goals and principles are timeless—honor, hard work, dignity, generosity, compassion, and patriotism. In a manner to last a lifetime, Scouting provides a way to deal with an everchanging world.

I thank my chairman and our ranking Member, Mr. FISH—and the leadership on both sides of the aisle—for all their assistance in getting this bill to the floor today—and the 175 Members of this body who cosponsored House Concurrent Resolution 207 honoring the diamond jubilee of the Boy Scouts of America's congressional charter.

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Mr. SMITH of New Jersey. Mr. Speaker, continuing under my reservation, as an Eagle Scout I am most pleased to join my colleague from Texas in urging passage of this resolution. This is a resolution commemorating the 75th anniversary of the Boy Scouts of America, which very significantly was the first youth organization to be chartered by the Congress.

Mr. Speaker, I think many Members will agree that Boy Scouts of America is an organization with few equals. Over the past three-fourths of a century it has made a significant contribution and a difference in the lives of millions of boys. I think the number cited by my good friend was 83 million youngsters have benefited by the Boy Scouting program.

It has provided youngsters the opportunity to enjoy and more fully appreciate the great outdoors, to camp, to canoe, to swim, to hike, and even to cook.

Boy Scouts of America provides boys with the opportunity to learn and to perfect a whole myriad of skills, including lifesaving and first-aid.

Scouts are encouraged to be trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent. Not so bad; there are values that I think are good at any time for anyone and certainly for young boys.

I am most pleased to note that the membership in Boy Scouting has in 1991 grown for the 11th consecutive year.

As of December 31, 1990, there were 4,292,000 Scouts, a 1.4-percent increase from the preceding year.

So, more people are getting involved. My own two sons are involved in Scouting.

Mr. Speaker, further under my reservation, I yield to my friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I want to commend both of these gentlemen for introducing this commemorative resolution. Just this past weekend I had the privilege of attending a memorial service for Dan Beard, one of the founders of Scouting in our country, and he is buried in my congressional district, in a cemetery up in Rockland County.

We are proud of what Boy Scouts have done for our Nation. The leadership that they have provided for other youths as they go on to higher ranks also. I always try to find the opportunity to attend an Eagle court of honor in my own area, as many of my colleagues have done along with me in this same endeavor, to try to give appropriate honor to those young people who have been very active in scouting.

It is a wonderful activity. We hope that it will continue to grow and prosper.

Mr. Speaker, I commend the gentleman for bringing this celebration to the attention of our colleagues.

Mr. SMITH of New Jersey. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. JONES of Georgia). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 207

Whereas June 15, 1991, will mark the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America;

Whereas the Boy Scouts of America was the first youth organization to be granted a charter by Act of Congress;

Whereas the Congress has been kept informed of the programs and activities of the Boy Scouts of America through the annual reports made to it each year by this organization in accordance with such charter;

Whereas these programs and activities have been designed to instill in the Nation's youth the moral and ethical principles, and the habits, practices and attitudes, which are conducive to good character, citizenship, and health; and

Whereas by fostering in the youth of the Nation those qualities upon which our strength as a Nation is dependent, the Boy Scouts of America has made a contribution of inestimable value to the welfare of the entire Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby pays tribute to the Boy Scouts of America on the occasion of the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America, and expresses its recognition of and appreciation for the public service performed by this organization through its contributions to the lives of the Nation's youth.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARKING THE 75TH ANNIVERSARY OF CHARTERING OF BOY SCOUTS OF AMERICA

Mr. BRYANT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate joint resolution (S.J. Res. 111) marking the 75th anniversary of chartering by Act of Congress of the Boy Scouts of America, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 111

Whereas June 15, 1991, will mark the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America;

Whereas the Boy Scouts of America was the first youth organization to be granted a charter by Act of Congress;

Whereas the Congress has been kept informed of the programs and activities of the Boy Scouts of America through the annual reports made to it each year by this organization in accordance with such charter;

Whereas these programs and activities have been designed to instill in the Nation's youth the moral and ethical principles, and the habits, practices and attitudes, which are conducive to good character, citizenship, and health; and

Whereas by fostering in the youth of the Nation those qualities upon which our strength as a Nation is dependent, the Boy Scouts of America has made a contribution of inestimable value to the welfare of the entire Nation: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby pays tribute to the Boy Scouts of America on the occasion of the seventy-fifth anniversary of the granting by Act of Congress of the Charter of the Boy Scouts of America, and expresses its recognition of and appreciation for the public service performed by this organization through its contributions to the lives of the Nation's youth.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 392

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 392, the title X Pregnancy Counseling Act of 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HEALTH CARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. COX] is recognized for 5 minutes.

Mr. COX of Illinois. Mr. Speaker, I stand before this Chamber today to address one of the most potentially devastating problems facing our Nation, access to quality health care.

Recent reports have shown that over 33 million Americans are currently without any type of health care coverage. Roughly over 40 million are underinsured with even the most financially secure vulnerable to financial ruin due to long term health care costs.

There are obviously many reasons for these skyrocketing costs, none of which can be easily solved. Currently, the Federal Government is responsible for over 29 percent of health care costs in this country, spending approximately $174 billion dollars to provide health coverage. Included in this is Medicare at $114 billion and Medicaid at 39 billion. The combined Federal outlays for health care consume nearly 15 percent of Federal spending.

Mr. Speaker, it is obvious the health care system in this country is at a crossroads. We must halt or significantly slow the rising cost of health care. While insuring those who are financially unable to obtain quality health care are not turned away because of inadequate health insurance. We must not allow the life savings of our senior citizens to be depleted to pay for the rising cost of long-term care. It is crucial to the future of this Nation that we address this problem today and establish a health care system that works for all.

I do not stand before this Chamber today with all of the answers to our problems. I do not pretend to have a miracle solution to solve the health care dilemma. But I do realize the responsibility we have as elected Members of this body to address this problem and begin the process of establishing a health care system that will benefit the entire Nation.

The Government Operations Committee, of which I am a member, is currently holding hearings on health care reform in this country. The focus of the hearings have revolved around a comparison of the Canadian model with our current system. We have much to learn from the successes and failures of the Canadian system. The Canadian's success at providing coverage for all of their citizens at a per capita cost significantly below that of the United States is attractive. At the same time, there seems to be instances of reduced quality and efficiency in health care services. We need to apply the lessons of other industrialized nations as they have addressed their health care problems, taking the good and leaving the bad.

I am somewhat disappointed at the administration's present action on this issue. The President has recently shown his skill in providing this country with strong leadership in the Persian Gulf. I am hopeful he will now begin to show some similar leadership as we address the issue of a national health care solution. Together, I am confident we can determine what is the best possible solution to our health care problems and begin to work toward such a goal.

Mr. Speaker, I would like to take this opportunity to request the administration's cooperation with Congress as we attempt to address this problem of national significance. It is our responsibility to tackle this challenge aggressively and responsibly on behalf of the American people.

□ 1940

TRIBUTE TO THE HONORABLE VINCE WHIBBS, SR., MAYOR OF THE CITY OF PENSACOLA, FL

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from Florida [Mr. HUTTO] is recognized for 5 minutes.

Mr. HUTTO. Mr. Speaker, I rise today to pay tribute to a great American, the Honorable Vince Whibbs, Sr., mayor of the city of Pensacola, FL. Mayor Whibbs retired this past Monday, June 10, after 7 consecutive terms as Pensacola's mayor and 15 years of dedicated service to the city.

Vince Whibbs is a native of Buffalo, NY. He was educated there, and after serving as a fighter pilot in World War II, he rejoined General Motors, where he had worked for several years.

In 1958, Pensacola got lucky. Vince Whibbs left General Motors, and decided to open a Pontiac dealership in Pensacola, beginning unequaled service and accomplishments that have continued over the past 33 years.

Vince immediately became active. He served as a city councilman and as a member of the board of directors of the Greater Pensacola Area Chamber of Commerce. In 1978, Vince began his service as mayor, and served without interruption until his retirement on June 10. He has the longest period of service of any mayor in Pensacola's history.

Mayor Whibbs has been instrumental in every aspect of Pensacola's life. To list just a few, he is past president of the Pensacola Chamber, the Pensacola Chapter of the Navy League, the Fiesta of Five Flags, the United Way, Suburban West Rotary, Pensacola Franchised Automobile Dealers Association, Junior Achievement and Project Alert.

Vince has always been the key proponent of Pensacola and its strengths. He has developed and nurtured a love affair between the city and the Navy that is unequaled throughout the country. Pensacola, as the Navy's pilot training base, and home for the Navy's Chief of Education and Training, sees thousands of sailors pass through each year. Vince has ensured that these sailors are fully integrated into the city during their stay in Pensacola.

Vince led the way in developing and implementing a plan to move the U.S.S. *Lexington*, an aircraft carrier used to train Navy pilots, from Pensacola Naval Air Station, to downtown Pensacola to make room for a larger carrier, scheduled for arrival in 1992. Vince tackled this most unique task with his usual energy and optimism, and today, the U.S.S. *Lexington* is safely berthed in downtown Pensacola, and the port at Pensacola Naval Air Station is complete and ready for the U.S.S. *Forrestal*, which will arrive in early 1992.

Mayor Whibbs also led the way in the successful rebirth of the downtown district, as well as many other projects, such as airport redevelopment, a new City Hall, police station, and many others.

Although all these accomplishments are significant, and although the city of Pensacola will ber.efit from these for many years, Vince's real strengths lie in his basic personality and his never ending promotion of the city's goodwill. Vince Whibbs is known nationwide, and everyone who knows him breaks into a spontaneous smile when his name is mentioned. In other words, no one doesn't like Vince Whibbs. Known as that fast talking mayor, he literally can talk faster than some of us can listen. Always ready with an eloquent statement on any subject concerning the city and its citizens, Vince's contribution to the feeling that Pensacola is a good place to live is immeasurable.

We will all miss hearing the famous Vince Whibbs welcome to Pensacola, usually stated at lightning speed. It goes something like this:

On behalf of our elected City Council, those ten masterful men who manage our magnificent municipality; and on behalf of the chairman of our county commission and his four commissions who constantly deal with the changing, challenging conditions of our county; and on behalf of our wonderful people who populate the Northwest Florida area, it is my privilege and pleasure as mayor to welcome you to Pensacola, the western gate to the Sunshine State, where thousands live the way millions wish they could, where the warmth of our community comes not only from God's good sunshine, but from the hearts of the people who live here. Welcome to Pensacola, America's first place city and the place where America began.

To Mayor Whibbs and his lovely wife Anna Marie, their 7 children and 22 grandchildren, we congratulate you on your 15 years of service to the city. We will not forget your acomplishments, and we will continue to revere you as our city's premier citizen. We share in your excitment about the days ahead, which will hopefully provide more time for your family and your business interests. With all our love and respect, we say thank you, Mayor Whibbs. May God continue to bless you.

UNITED STATES ASSISTANCE TO THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, the situation in the Soviet Union deteriorates daily. Seventy-five years of communism have culminated in hyperinflation, bureaucratic inefficiency, ideological conflict within both the Kremlin and the republics, long food lines, runaway military spending, and crippling labor strikes. In addition, a fragile, yet cumbersome Central Government has resulted. This crisis rasies serious doubts about the Soviet Union's survival in its current form.

President Bush is now asking Congress to support most-favored-nation status for the Soviet Union. He also favors Soviet inclusion in the group of seven meetings in London on July 15, so Mr. Gorbachev can present his request for nearly $250 billion in aid and $600 million in credits. Yes, that's right. A Republican administration is considering a bailout of the "evil empire."

Caution should be used in discussing United States assistance to the Soviet Union. We cannot open the foreign aid floodgates without concrete guarantees on a timetable for democratic reform in that nation. Mr. Gorbachev has not convinced me he possesses either the political clout or the inclination to complete his perestroika program. He has also masterfully postponed a decision on the direction of the Soviet state for his own self-preservation. We have no idea whether he is dedicated to democratic reforms, or simply a public relations magician. Mr. Gorbachev has to earn our support.

The United States has a stake in the Soviet Union's ability to overcome this crisis, and it is clear the Soviets cannot make it on their own. Without multilateral support from industrialized nations, the Soviet Union will become even more unstable, thereby increasing the chances of spreading turmoil to the precarious new democracies of Eastern Europe. The issue is not that the Soviet Union needs help. Of course it does. The issue is the timing and the form of our assistance, and the reforms we seek in return. In my view, we should provide the Soviet Union with a package linking assistance to policy measures, and to incentives for future aid, if specific reforms are completed.

A Soviet commitment on Baltic human rights is an essential precondition to any assistance package. Red Army Forces have recently renewed their use of force against the people of Lithuania with assaults on customs posts in a resumption of last January's crackdown. We have an obligation to help the young Baltic States grow into independent democratic nations, and we must obtain guarantees against further Soviet aggression in the region.

Any package should also extend support in the form of trade concessions, United States technical expertise, and United States backing for Soviet membership in the World Bank and the International Monetary Fund [IMF]. As a complement to United States policy linkage on Soviet political reform, the World Bank and the IMF would tie loans to Soviet economic policy changes. U.S. incentives would link future U.S. assistance to progress on free and open elections, on legalizing private property, on domestic human rights concerns, on emigration policy, on political decentralization, and on steps toward a free-market economy.

Mr. Speaker, it is clear that Mr. Gorbachev and the Soviets need our help to survive. However, we cannot simply donate our scarce resources to an antiquated economy and a decaying political system. Placing conditions on any aid will force Mr. Gorbachev to work for authentic reform programs in the Soviet Union.

DEBT IN OUR ECONOMY

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 60 minutes.

Mr. PANETTA. Mr. Speaker, this is the second in a series of special orders that I am taking to address the state of our economy. Tonight I address the issue of debt in our economy.

The 1980's were the decade of debt, and it looks like the 1990's will be the decade when we must start to repay that debt—with interest. At the end of 1990 households, businesses, the Federal Government and State and local governments were nearly $11 trillion in debt. That is almost triple the level at the end of 1980. For 10 years, our debt grew faster than our GNP—forcing us to borrow so much from foreign savers that we are left more exposed to high interest rates and credit crunches, and less able to use monetary and fiscal policies to manage our own economy. Debt has become a consuming black hole in our economy.

The recession has sounded the wake-up call as banks, as well as S&L's, fell under the weight of defaulted real estate loans; troubled consumers cut back on purchases to meet interest payments; and businesses laid off workers to save cash to avoid default on their junk bonds. Today I want to discuss our debt problem: Its size; the failed policies that brought it about; its costs to the economy; and the painful corrective action that the Nation will have to take to get back on the right track in the 1990's.

The most startling aspect of the debt binge of the 1980's was the deterioration of our international financial position.

I. THE EXTENT OF THE PROBLEM

Foreign debt—our net international investment position. In 1914, the people, businesses and Government of the United States owned $5 billion of assets abroad—common stocks, physical assets such as factories or real estate, and bonds and other loans. Meanwhile, foreigners controlled $7.2 billion of similar assets in the United States. That left the United States a net debtor to the tune of $2.2 billion. Note that the terms "international debt" and "debtor" include ownership of stocks and real estate, as well as actual debts or loans. In 1914, of course, the United States had hardly made its mark on the world at large. By the end of World War I, however, we had established ourselves as a great power; and in financial terms, we had become a net creditor. Over the decades that followed, as we continued to establish our status as the world's dominant power, we built up a net investment position to a high of $364 billion at the end of 1982—that is, our holdings of assets abroad exceeded foreigners' holdings of U.S. assets by $364 billion, using the new replacement cost method of valuation.

In just a few short years, we blew it. By the end of 1986 we returned to the negative international investment position that we had left on the eve of World War I, more than 70 years before. By the end of 1989 we were net debtors to the tune of $464 billion—nearly half a trillion dollars—and our condition is no better now.

How can we be sure about our trend toward international indebtedness, and why do we care? The answers are one and the same. The more assets we own as a people, the greater the investment income that we earn from abroad, and therefore the greater U.S. income and wealth. So we should care about our investment position with the rest of the world for the same reason that we care about the productivity of our workers: They both bear upon our standard of living.

In 1981, we received net investment income of $31 billion from the rest of the world; they paid us $31 billion more on our investments than we paid them. This net investment income more than offset a modest merchandise trade deficit that we ran in that year. Since then, however, our investment income has fallen to negligible levels. This both reduces our standard of living as a nation, and verifies that our effective net investment balance with the rest of the world has deteriorated sharply.

Our international debt makes a political difference as well as an economic difference. A nation that depends on foreigners to buy its bonds and finance its investment cannot have as much influence as a nation that is lending instead of borrowing. For proof, we need only remember the spectacle of Secretary of State Baker making the rounds begging for contributions from

other countries to finance Operation Desert Shield, and our further need repeatedly to dun those countries to pay up. For yet another example, Treasury Secretary Brady recently asked both Japan and Germany to lower their interest rates to help worldwide recovery; all they said was that they would not raise them. We are left, then, to ask their help to support the dollar if we lower our interest rates. In fact, one of the reasons the Federal Reserve is afraid to lower interest rates further to stimulate our recovery from recession is the fear that our dollar will depreciate, and that needed foreign capital will flee the United States.

The emergence of the United States as the world's largest debtor nation is striking and painful. But how did it happen? It is the result of an explosion of debt within our borders, debt accumulated by every segment of the economy. The Federal Government is part of the problem. But debts run up by households and by businesses are also significant contributors.

FEDERAL DEBT

In September 1981, President Reagan said;

> In just the past decade, our national debt has more than doubled. And in the next few days, it'll pass the trillion dollar mark. One trillion dollars of debt—if we as a nation needed a warning, let that be it * * *. Washington spends more on interest than on all of its education, nutrition, and medical programs combined.

In the next 10 years, the Reagan-Bush administrations far outdid the 1970's. The national debt didn't just double—it tripled; the debt subject to limit is now $3.4 trillion. Of course, some will say that it is all the Congress' fault, but they cannot erase the responsibility of the Reagan and Bush administrations for the 1980's tax policy, the defense spending policy, and the high real interest rate policy; not to mention the regulatory policy of the 1980's that left us with more than $100 billion of debt—and more to come—just to clean up the savings and loan catastrophe.

PRIVATE DEBT

At the same time, the private sector went on a borrowing spree as well. From 1980 to 1990, households added $2.4 trillion to their debt, which now stands at $3.8 trillion. Nonfinancial businesses added $2.1 trillion to their debt, which now stands at $3.5 trillion. We do not count the debt of financial businesses, because it contains a lot of double counting. What matters is the burden of debt on the sectors that actually produce goods and services. State and local governments added $360 billion to their debt, which is now $649 billion.

TOTAL DEBT AND INCOME

Taking all these sectors and the Federal Government together, and consolidating the Federal sector to net out the trust funds, we have $10.6 trillion of debt in the domestic nonfinancial economy. This is nearly triple the $3.9 trillion of 1980.

These numbers would not be so frightening if our incomes had increased as fast as our debt. But they did not; and so neither did our ability to service the debt.

The table that follows compares the debt of nonfinancial sectors of the economy relative to appropriate measures of incomes for 1960, 1980, and 1990.

	1960	1980	1990
Ratio of:			
Total domestic nonfinancial debt to GNP	1.41	1.43	1.94
U.S. Government debt to GNP	.46	.27	.47
Household debt to disposable personal income	.60	.75	.97
Nonfinancial corporate debt to nonfinancial gross domestic product	.55	.54	.74

Source: Federal Reserve flow of funds and Commerce Department national income accounts.

Overall debt was a relatively constant percentage of income for the 20 years between 1960 and 1980. The debt of nonfinancial corporations was a relatively constant percentage of their income over the same time span. Federal Government debt was actually a declining percentage of the GNP. This made room for an expansion in household debt relative to the size of the economy.

In contrast, the debt of every sector of the economy rose relative to our income in the decade of the 1980's. The total jumped from 1.4 times our GNP to 1.9 times our GNP; in other words, the total debt in our economy is now nearly twice our annual income. Federal debt undid in 10 years the progress that had been made in the preceding 20 years, and household and corporate debt ratios also rose to new highs.

II. HOW DID WE GET INTO THIS MESS?

The first question that we have to ask ourselves, as we face this mountain of debt, is how we, as a nation, got ourselves into this mess?

Again, the problem is the total of the debt that we—all of us—accumulated over the 1980's. It is not just the debt of the Federal Government. Therefore, we have to look at ourselves—as individuals, and as business persons—who so added to the debt burden of our economy.

In fact, few households, and few businesses, run out and simply borrow too much. Rather, people and businesses make forecasts about their economic prospects, and they act on those forecasts. If households believe that their incomes will increase rapidly and steadily, they will be more inclined to borrow for a bigger home, a new car, or other consumer items. If businesses believe that their sales will grow, they will be more inclined to borrow to expand their facilities—or to buy out their competitors, or businesses in some completely unrelated field. If the forecasts turn out right, then the debts are repaid. But households and businesses get in trouble when their forecasts turn out to be wrong.

The major downside of debt—for businesses or households—is risk: What if something goes wrong, and you cannot make your interest payments? If you cannot, the result is bankruptcy.

It may be something more than coincidence that the borrowing boom of the 1980's followed the borrowing boom of the 1920's by just about one adult lifetime. That was just enough time to forget the costs of excess. In the 1920's, overconfidence in the economy led to rampant speculation, including borrowing to carry investments in corporate stock. When stock prices plunged, the value of those loans was wiped out, bankrupting both the borrowers and the lenders.

The result thus far in the 1980's has not been cataclysmic. Our economy has proven far more resilient than that of the 1930's. But some of the economic indicators and phenomena have been similar. Throughout the 1980's we have had an enormous increase in business bankruptcies; it began in the recession of 1981 and 1982, but continued through most of the recovery, and has resumed in 1990 and 1991. While the 1930's had a bull stock market, followed by a crash, the 1980's had a real estate boom and bust, and the creation, rapid expansion and collapse of a market in junk bonds. And both the 1930's and the 1980's had a rash of failures of banks and other financial institutions.

The common element between the 1920's and the 1980's was the accumulation of debt that preceded the bankruptcies and bank failures. Why was that pattern repeated?

In both the 1920's and the 1980's, there were bursts of economic euphoria. In the 1980's, we were reassured that it was "morning in America," and that recession could be avoided indefinitely. As a result, many households and businesses determined that they could carry more debt safely.

However, these optimistic expectations were not realized. The misjudgments of the 1980's were both large scale and small scale. The economy as a whole did not enter an era of unending rapid economic growth, and so even before the current recession, business borrowers had problems of bankruptcy far in excess of other recent economic recoveries. And there was a further impetus toward debt in the 1980's. The Nation was leaving a period of rapid inflation, and inflation encourages and rewards the holding of debt. Instead, however, inflation slowed; and as a result, many borrowers did not receive the expected inflationary increases in their incomes.

There were also localized failures of borrowers' expectations for the economy. Real estate investments saturated many local markets, as local forecasts of rapid growth encouraged building. Instead, many real estate projects extended well beyond local needs, leaving vacant space in office

buildings and shopping centers in many areas of the country, and leading to numerous real estate bankruptcies.

Thus, the debt binge of the 1980's was far reaching. And when things go wrong on this scale, there are meaningful costs to society. One person's liability is another person's asset. The bankruptcies of high-flying real estate deals and junk-bond issuers were the immediate causes of the bank and savings and loan failures of the last few years.

III. THE BORROWING SPREE OF THE 1980'S: THE CONSEQUENCES

Borrowing is not necessarily unhealthy. Going into debt to build a house or a factory, to pay for a college education or vocational training, to invest in a new technology or to build infrastructure can all be constructive. The common element in all of these expenditures is that they will produce new wealth which makes it possible to pay back the loan, with interest. In other words these expenditures are investments.

Unfortunately, America did not invest enough of the funds that we borrowed in the 1980's. Too much of the Federal Government's borrowings was used to finance tax cuts for the wealthiest Americans, and to expand the defense establishment. The wealthy recipients of those tax cuts borrowed even more to finance what has been called conspicuous consumption. Too much was borrowed by corporate raiders to bid up the prices of existing businesses. Only a small share of this debt went into the kinds of investment that lay the foundation for a stronger economy; that is why debt is now a threat to economic health and growth.

Too much of the $7 trillion that was borrowed between 1980 and 1990 went to immediate gratification of wants, and too little went to the needs of the future. As a nation, we spent more than the income that we produced in the 1980's could pay for. The personal saving rate by 1987 was the lowest since the post-World War II spending boom, and is not much higher now.

There were immediate as well as long-term costs; but the costs were spread out beyond the actual borrowers. The most important of these costs were higher real interest rates and lower business investment. Interest rates, like all other prices, are determined by supply and demand. In this case the supply of national saving fell while the demand for borrowing rose, so our interest rates had to rise to induce foreign savers to lend to American borrowers. It has been estimated that by 1987 the United States was borrowing nearly 10 percent of the combined net savings of all of the other industrialized nations of the world. It is no wonder that we had to offer high interest rates to attract so much of the world's savings.

One consequence of this need to borrow from abroad is a trade deficit. For foreigners to lend to us in dollars, they had to buy dollars, and that buying pressure drove the value of the dollar up relative to other currencies. By the beginning of 1985, the dollar was more than 50-percent higher than it had been in 1980.

This made U.S. products more expensive abroad and foreign products cheaper here. Exports stagnated, imports soared, and the trade deficit exploded, reaching $152 billion in 1987, compared with only $19 billion in 1980. It now appears that permanent structural damage was done to the international competitiveness of American industry in this period. Foreign firms were given a golden opportunity to build footholds in the U.S. market—gaining customer loyalty and setting up distribution networks which will remain in place. At the same time, they were able to drive U.S. products out of their own and third country markets. This makes correcting our trade deficit even more difficult and painful.

A final cost of the 1980's debt spree is the emphasis that businesses must put off generating short-term cash to pay their interest bills, rather than investing for the future. Advocates of the leveraged buyout binge of the 1980's argued that the pressure to meet interest obligations would force stodgy business firms to become lean and mean, and more efficient. It is true that pressure can focus the mind. But extreme interest burdens can force cutbacks in research and development, and other programs that build for the future. You cannot invest resources today for a potential payoff 10 years out when those funds are needed to meet this quarter's interest payment.

The cost in terms of lost GNP is already mounting. A recent study by the Federal Reserve Bank of New York found that the low saving and investment rates of the 1980's resulted in a loss of as much as 5 percent of the Nation's potential production compared with the trends earlier in the postwar period. Unless we raise the national saving and investment rates, and lower the debt burden, that loss will continue to grow, and our future standard of living will dwindle.

IV. WHERE DO WE GO FROM HERE? A PAINFUL CORRECTION

In many ways, the early 1990's will feel like the hangover from the extended debt party of the 1980's. We will pay for national overindulgence now and over the years to come.

We have already seen the effects of overindebtedness during the current recession. Businesses have to cut back on employment more severely and earlier to conserve cash. They will be hesitant to invest at the beginning of the recovery if it means taking on more debt; their debt service burden relative to cash-flow makes them less creditworthy. And any bad news—including a longer-than-expected recession or an economic shock—will find more businesses than in the past overburdened with debt and in danger of bankruptcy.

Banks are reluctant to lend even for normal business financing because they themselves are burdened with portfolios of sour loans. The problems of the banking system are well known: There are too many real estate loans on projects that sit empty and whose developers have gone bankrupt. The economic policies of the 1980's encouraged such excessive commercial real estate development financed by borrowing. Regulators finally tightened their standards and required that banks raise more capital to back up their loans; but banks could not raise more equity capital, and so had to reduce their outstanding loans. This meant tightening credit standards and denying loans to businesses that might otherwise have been creditworthy.

Though the contraction of lending may be coming to an end, the recovery may still be later and weaker because too many businesses and consumers are troubled with their current debts. However, the long-term correction will also be painful, in terms of slower income growth and the amenities provided by all levels of Government. We as a nation have been consuming more than we produce for 10 years, and to cut back the debt to a manageable level, we are going to have to produce more than we consume for a long time to come.

This coming transition from our debt binge back to sound economic policies will have several painful effects. First, to reduce our trade imbalance, the dollar will have to decline. That means that imports will be more expansive to American consumers, a direct hit on the standard of living to which we have become accustomed. It also means that American assets—companies and land as well as stocks and bonds—will be cheaper to foreign buyers. Until we have raised our national saving, primarily by reducing the Federal deficit, foreign investment in the United States will continue to create friction with our industrialized allies. The importance of the value of the dollar, and need to attract foreign funds, will limit the freedom of the Federal Reserve to reduce interest rates to stimulate the economy and encourage domestic investment.

Finally, the debt that we accumulated in the borrowing spree of the 1980's requires that we pay an increasing share of income produced in the United States to foreign investors. This is income that could have been reinvested in America—in schools, roads, factories and homes.

V. CONCLUSION: WHERE WE STAND

Now, the evidence of the decade of debt is all around us: mountains of bad junk bonds; continuing business bankruptcies; S&L and bank failures; and

an accumulation of bad assets in the hands of the Federal Government.

For all of these reasons, our recovery from the current recession will be slow, and our standard of living will be lower because of this excess.

The debt binge extended to every sector of the economy; but the Federal Government was the largest single actor in this very bad drama. We need to take the lead at the Federal level to turn this trend around. It would be wonderful if we could make consumers borrow less and save more, but we have tried and failed—at great expense to the Federal Treasury. Tax breaks for saving have increased the deficit more than they raise personal saving, and thus have reduced our total national saving. Our foremost responsibility—and the one sure way to slow the debt binge—is to follow responsible policies to reduce the Federal deficit. The budget agreement between the President and the Congress was an essential first step. More must be done if we are to escape the black hole of debt that clouds the future of our Nation.

□ 2010

THE CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico [Mr. SCHIFF] is recognized for 60 minutes.

Mr. SCHIFF. Mr. Speaker, I would like to begin by complimenting the erudite presentation of my colleague, the gentleman from California, the chairman of the Committee on the Budget. I certainly agree with his overall point that a nation whose government is in debt, whose businesses are in debt, and whose citizens are in debt, is not going to stay a world power for too much longer.

Just looking at the Federal Government, we spend on interest on the national debt, and for us in Government, the same as for every individual citizen, interest comes off the top, and it has to be paid first.

We spend twice on interest on the national debt what we spend on the entire Medicare Program. So imagine, as we debate in the Congress health care problems and other difficulties that we have what we could do without raising taxes if we had control of the money that we now spend on interest on all of the borrowing that has been done over the years, and, of course, that does not even talk about how we pay back the principal on that borrowing.

I compliment the gentleman's presentation.

Mr. Speaker, however, I did take the floor for another reason. I want to talk about the Civil Rights Act of 1991.

The reason I want to talk about it is we did pass it approximately a week ago, sent it over to the other body for consideration, passed a version of it, and this is a very important bill to me.

□ 2020

It is important, first of all, because it is very important to my constituents. It is important because I have the privilege of serving on the Committee on the Judiciary, and I spent a great deal of time studying the bill and the various amendments.

The reason I am taking to the floor now is because I was disappointed in the debate that we had on the bill prior to the vote and passage of the final version. I was disappointed because I felt, and this may have been caused by the fact that the speakers had only a relatively few minutes to speak, and I understand that. Nevertheless, much of the debate was conclusionary in nature. One speaker, depending on their point of view, might say "this bill is a good bill to ensure civil rights;" Another speaker might say, "I object to this bill because it is a quota bill," and he would have a great deal of rhetoric going back and forth upon these points without really getting into what is in that bill. What is it that bill is made up of? How does it work? How is it written? What is it all about? Then the people can make up their own minds as to whether, in fact, it is a needed bill. Or, in fact, is it a quota bill.

I might add that my own conclusion is somewhat in between. I think there is a bill we need to pass. I think there is some risk of creating a quota or hiring by the numbers. I think that risk was greatly exaggerated by the other side of the aisle. I will go into that in a couple of moments.

I think it is important that it be placed on the record what the bill is all about. That is what I propose to do here this evening.

The civil rights bill of 1991 was actually a successor to the civil rights bill of 1990. The civil rights bill of 1990 was passed by both Houses of Congress. It was vetoed by President Bush, and the Congress failed to override the veto. That killed the issue as a legislative matter for the year 1990. It was then refiled as H.R. 1, the first bill of the House of Representatives in 1991, in the 102d Congress.

Now, the origin of the bill in 1990 was an attempt by supporters to address and, in fact, to reverse five U.S. Supreme Court decisions which interpreted civil rights laws. The supporters disagreed with those five decisions and wanted them reversed. Four of those principal decisions dealt with the Civil Rights Act of 1964, and one of those decisions dealt with the Civil Rights Act of 1866. That is the origin of the Civil Rights Act.

Now, stopping right there, that origin is going to lead to a great deal of complexity for two principal reasons. First of all, since the bill is written to address Supreme Court decisions, it deals with highly technical matters, with construction of wording in the relevant statutes and the court decisions, legalese we may call it. I want to stress that the fact that the wording is highly technical does not make the bill unimportant, but it makes the bill very complex in nature when wording is offered to counter certain Supreme Court decisions on how a statute is to be interpreted. Interpretation is very important but can be very complex.

Second of all, these five separate court decisions are only loosely tied together under the title "Civil Rights." It is true that all of the five decisions deal with the Civil Rights Act or one of the Civil Rights Acts, that is correct. However, they each deal with a completely different aspect of the Civil Rights Acts. One might deal with intentional discrimination, one with unintentional discrimination, one with seniority systems, and so on and so forth. The point I am making is that it is entirely possible for my colleagues and myself and for members of the public to in fact agree in part and disagree in part with the original civil rights proposal, because it is possible to look at the five Supreme Court decisions and to agree with four and disagree with one. The supporters disagree with all five. That is their privilege. That does not mean all persons have to disagree with five, or that does not mean that we all have to disagree with all five in terms of the debate. One could say that they disagree with four of the decisions but one is believed to be a correct interpretation. A person might not think they should change it, and disagree with that. Of course, one more complexity on that is that two Members of Congress could say, "I agree with four decisions and only disagree with one." Let me go back and reverse that, colleagues could say that they disagree with four of the decisions and want to reverse them but agree with one; however, the one agreed upon is not the same between the two colleagues. One colleague might agree with Supreme Court decision one, two, three, and five, while the next colleague might agree only with two, three, four, and five. Therefore, they each agree with four decisions, but not the same four decisions.

Obviously, that leads to further complexity, just on which decisions different Members agree with, and which decisions they do not agree with.

Here are the five principal decisions. The first which I will speak of, and I have put them in the order that I heard them addressed, although the decisions could well be placed in another order. They are all relatively recent, I think, from 1989. One is Wards Cove Packing Co. versus Antonio. Wards Cove Packing Co. versus Antonio deals with business hiring practices and may result in unintentional discrimination. In other words, a business might have certain

criteria for the hiring of all its employees, but the result of that criteria results in the fact that individuals are hired in disproportionate numbers to what is another issue, to management versus nonmanagement jobs, going more toward the majority group or minority, or disproportionate to the labor portion or the population at large in the business. Because I felt Wards Cove became a central matter during this debate, I am going to hold further discussion on that issue for a moment.

Another case is Price, Waterhouse versus Hopkins. Price, Waterhouse deals with intentional discrimination. The issue raised in Price, Waterhouse is, what happens if an employer intentionally discriminates against a worker for reason of race, religion, gender or other prohibited reason, but in fact has other reasons for denying that same person a hiring in the first place. Or, if they are already hired, promotion or transfer? In other words, there is a mixed motive. The employer really intends to discriminate, and that can be proven. Assume that for the case was proven. Assume the employer would say that they would have not promoted this individual anyway, even if they did not have discriminatory reasons. That case implies, I think the results may have been favorable to this individual plaintiff, but some of the wording implies that if there is mixed motives and it can be proven, an employer was discriminated against first for prohibitive reasons, racial or gender discrimination, but also the employer, in fact, would have taken the same action absent the discrimination, the case implies the employee has no remedy because the same action would have been taken against the employee even if no discrimination was involved.

I might add that generally speaking, that is part of a general rule of law that there is a general principle, in cases I have heard for precedents, that if the same result would be reached for another reason, then it is the same result, and the person is not considered to be injured. However, the supporters felt, and I would add that I agree, that intentional discrimination is so repugnant in our society that there ought to be some kind of remedy, even if it is a limited remedy, to those who can prove intentional discrimination, even if it is an injunction to prevent intentional discrimination occurring in the future. They should be able to act on it in that situation. That is what was included in H.R. 1.

A third case is Martin versus Wilkes, and that deals with this question: What can individuals who were not party to a lawsuit and to a judgment, assuming some years ago, try to reopen that judgment? It comes up in the context that, and we will suppose that a group, particularly a minority group of workers, bring a civil rights lawsuit against an employer. Suppose there is an agreed-upon judgment, that the employer admits to previous discrimination, and proposes a solution of an affirmative action plan to cure the problem.

□ 2030

What can employees who may not even have been employed at that time do? Can they come in and challenge this judgment on the grounds that, well, they are affected by it but they were not parties to it?

The argument here becomes very difficult, because on the one hand we have a strong belief that judgments should be final, that cases should not be litigated over and over again.

On the other hand, we have an equally strong belief that people are entitled to their day in court, that it is not fair to subject somebody to a judgment when they were not a party to it, and the truth is in this particular area an attempt is made to find a balance, not everyone might agree this is a balance, but an attempt was made to say, well, was the individual who was affected, who wants to reopen this case, was their point of view represented in the original judgment? In other words, what they want to say today, was that advanced before the judge before the judgment was in fact rendered? So in effect they were in fact represented.

I am not saying that I or everyone should agree with that rationale. It sort of became the focus of that debate.

Four cases: Lawrence versus AT&T Technology. In that case, the Supreme Court held that the statute of limitations to bring a discrimination case begins to run when the discriminatory practice is put into effect in the business, and not when it is known of or affects the employee who wishes to bring the suit.

Now, the obvious problem there and why supporters and I would join in this, believe that this should be reversed, is the statute of limitations could go past so that no action could be brought for an employee who does not even know this practice is in effect, much less has been personally adversely affected by it.

Generally speaking, I think it is appropriate to say when a person is affected, that is the point where the statute of limitations ought to begin to run, so that they have the opportunity to bring some kind of action.

The fifth principal case is Patterson versus McLean Credit Union. In Patterson versus McLean Credit Union, it did not deal with the interpretation of the Civil Rights Act of 1964. The other cases I referred to did. This case dealt with an interpretation of the Civil Rights Act of 1866, a post-Civil War reconstruction act, of course at that point designed to assist the recently freed slaves. It is found in the law at 42 United States Code 1981. It is not by itself an employment statute, though it always has been used in employment, but it is broader than that. It prevents discrimination in the making and formation of a contract. Of course, that has been used in employment cases, because employing someone is making a contract.

Well, the Supreme Court in Patterson interpreted that provision about making and enforcing a contract literally toward making a contract. In other words, they said, they being the Supreme Court, that it is illegal and an individual, particularly an African-American, can bring a lawsuit because the Civil Rights Act of 1866 allows lawsuits if hiring is denied because of racial discrimination, but it stops there. That is, the making and formation of a contract is over and therefore an African-American, again by way of example, cannot bring a lawsuit or other type of action to prevent racial harassment on the job.

The supporters of H.R. 1, and again I would agree here and state here that I agree, felt that this is too narrow, that to say that racial discrimination is prohibited when someone is hired, but right after they are hired they can be literally driven off the job through racial harassment, does not fit the intent of this act, and this decision was too narrow, and that is my view.

Well, I would like to stop right here for a moment and again emphasize that the five cases that I talked about, the five cases that form the basis of the proposal of H.R. 1, the Civil Rights Act of 1991 now, again do not look like each other. I am not saying that any one of them is not important. I am not saying that one is necessarily more important than another, although one become more important in the debate, I felt; but as such, they are all important, but they do not necessarily relate to each other. One can agree with one case and disagree with another, and in any combination of the five cases, and that led to a great deal of the complexity in the debate that I felt was not adequately covered, again probably because of lack of time. That is why I wished to take the floor.

Well, this gets even more complex because H.R. 1 does not stop with just those five Supreme Court cases. I have to say, for those who may be very familiar with this bill already, because of my own lack of time I am presenting what I would consider to be an overview. Each of the five cases I have just stated have more details than I went into, but at least I want to show more about the basics of what was in this bill.

Well, the five cases, or addressing the five cases, simply was not all that was in H.R. 1. More was in H.R. 1. Other cases were directly or indirectly referred to. For example, there is the Zeits case, I believe it is pronounced, in which the Supreme Court limited attacking discriminatory seniority sys-

tems. Obviously if there is a seniority system in a business and if that business in the past discriminated against certain groups because of their race, gender or religion or national origin, then the seniority system would perpetuate that discrimination, even if the discrimination itself had ended.

There is the Shaw case which said in many different contexts that a plaintiff who wins a judgment against the United States of America is not entitled to interest on that judgment if payment is delayed, though of course interest on a judgment against a private party, if a judgment is won, is normally a matter of fact, in the normal course of business, and I certainly agree again that should be reversed.

Well, in addition to addressing Supreme Court cases, the bill, H.R. 1, went even further than that. It put in certain provisions that were not addressed in any Supreme Court case, and to that extent there was some limited misstatement by supporters who would say that all we are doing here is addressing Supreme Court cases. That is all we want to do. We think the Supreme Court made some errors in interpretation and we wish to correct that. It did more than that.

One can agree with what they did or disagree, but that is not all they did.

Now, one of the things they did, for example, was to extend the statute of limitations for bringing a discrimination case, just as a general matter.

Another issue that had to be put into the bill, I acknowledge, is when does the bill become effective? In other words, assuming that H.R. 1 as originally written became law passed by both Houses and signed by the President or over a Presidential veto, it becomes effective when, all these changes in Supreme Court decisions?

Originally H.R. 1 said that it became effective retroactively to all cases that were pending at the time of the Supreme Court cases, including the Supreme Court case I referred to, and to any case filed in that interim. That means, for example, the cases themselves would be reversed if the plaintiffs went back into court and got a different result with those specific plaintiffs.

The supporters of that idea said that it is only fair, we are trying to correct certain Supreme Court decisions that we felt were erroneous, then it is only fair that we affect those specific plaintiffs who we think were not treated appropriately in those decisions; however, the opponents said, and in this case I agree with the opponents, that it is more unfair, if you will, to make a law apply backwards because it is unfair to put people at risk for decisions they made under the law as it was in effect. It is unfair to tell people, "You made a decision that was right at the time, but after the fact we are going back and we are going to tell you, you made a wrong decision and in some way you are going to be made legally responsible for that decision, even though it was perfectly correct at the time you made it, even though you got legal advice and followed it accordingly."

I agree with the opposition point that that is a greater inequity, and even if we should reverse all five decisions, reversal should be prospective in nature so that everybody is on notice as to what the law is and what their responsibility is.

Well, that is not all. The biggest addition made in H.R. 1 to the current law and not dealt with in any Supreme Court decision, a creation of the supporters, was allowing plaintiffs under the Civil Rights Act of 1964 to sue for damages as part of their relief, damages for being discriminated against and punitive damages to punish intentional—I stress intentional, not unintentional, but intentional racial discrimination.

□ 2040

That was also included in H.R. 1. Well, that is a summary, and I stress the word "summary," of the specific issues that were in H.R. 1.

The debate focused on a conclusion: Is this an effective civil rights act? All we are doing is straightening out some erroneous decisions by the Supreme Court. Even the word "erroneous" implies a criticism of the Supreme Court that I do not think its supporters intended, an interpretation not in line with what Congress intended when it passed the Civil Rights Act. Or, was it in fact a quota bill that would require employers to hire by the numbers?

That was the conclusionary matter of this debate.

As I said, personally I agree, in part, with both. I do not find that contradictory. Primarily, of course, it was the administration's charge that H.R. 1 is a quota bill. And they base that charge on two ideas. The first and primary idea most cited by administration people whom I have heard is that H.R. 1 is a quota bill and it should be stated that it was stated in the bill that it was specifically not a quota bill and quotas would not be allowed. But the argument was that, notwithstanding that language, employers would feel compelled to create a quota in their hiring. Most people on both sides of the aisle object to a quota.

So the issue was not whether quotas are good or bad, most people would agree they are not good, that in fact quotas are in a broad sense contradictory with the idea of equal opportunity.

A quota may be a floor, but it is also a ceiling. Once you have made your quota, then an employer has to hire somebody from another group. That really was not the issue. The supporters of the bill did not defend quotas.

The supporters of the bill said this was not a quota. The President said, the administration said this is a quota primarily because of the addition of the possibility of lawsuits as a remedy for intentional discrimination.

Right now in the Civil Rights Act of 1964 I believe that a lawsuit can be brought as well as a matter brought to the EEOC; but lawsuits may be limited in their remedies to things like back pay and so forth.

The argument was that opening up lawsuits creates the threat of more litigation, the threat of more damages and this will cause fear in the minds of employers to avoid the risk of being sued, particularly for damages now, so that they will institute a quota to protect themselves from being accused of intentional discrimination.

Frankly, I have not come to this conclusion. I should mention as a digression that the American public is going to hear this a lot, that lawyers, lawsuits, courts, juries, have been made a target in many respects such as health care costs, and this argument over and over again of how bad it is for people to be able to file lawsuits is going to be repeated.

Now I am not here to defend any particular idea against improvement. If a system can be made better, fairer, cheaper, I think we should look at it, certainly.

But I would just point out as a generality that the right to trial by jury as a general concept in our society was considered so important by the framers of the Constitution that they included it in the Bill of Rights, in the seventh amendment. It is true, I am not saying that that requires damages to be allowed in the Civil Rights Act of 1964; I am pointing out that the concept was not feared by the framers of the Constitution. The concept was put in the Bill of Rights.

Further, the reason I do not accept that argument that being able to sue for damages will force employers to cower in fear is going back to the civil rights of 1866, 42 U.S.C. 1891, it has always been possible for African-Americans to sue for employment discrimination in hiring at least. We get into the Patterson case of when can you sue and when can you not sue. But the right to sue has been there, the right to sue for damages has been there all along. There have been lawsuits, some have been won, some lost; but there is absolutely no evidence that African-Americans have been hired by the numbers. I am sure they would be the first to come forward and say that.

So if the right to file a lawsuit has not resulted in hiring quotas for African-Americans under the Civil Rights Act of 1866, why on Earth should it suddenly result in hiring quotas for other groups if they are allowed the exact equal procedural remedies available?

Now, there is a second reason given by the administration, however, and they list it second—I would list it first, obviously, since I do not agree with the administration's point. But there is a second reason why the H.R. 1 would lead to quotas, hiring by the numbers, but it deals with unintentional discrimination. That is, business practices which do not intend to discriminate but do.

This gets into the Ward's Cove case, which I will discuss for a moment. The Ward's Cove case got into this issue at length: When can and cannot a business have hiring practices which are neutral but which result in a disparity, disparate impact, in terms of who is actually hired or promoted? Of course, they dealt broadly with who has the burden of proof and so on.

Now, the Ward's Cove case refers to an earlier case that both sides seem to agree with, and want to adopt and want to keep. That is the case of Griggs versus Duke Power Co.

Now, the Griggs case in 1971 involved employees who in that case were African-Americans who could not be transferred out of one area of employment for this particular company to other areas. Other areas paid more, generally speaking, than the area they were confined in. The problem was that there was a requirement by the business that all employees, to transfer, have either a high school diploma or pass a certain test. This was a neutral requirement; all persons, regardless of race, regardless of gender, were required to meet this requirement.

Nevertheless, for reasons that are complex, the bottom line is we know that high school diplomas, for example, are less found among African-Americans and other minority groups than among the white population.

I mean that is a fact. We can discuss why that is a fact, but that is a fact.

Therefore, a requirement that all employees have a high school diploma is probably going to result, and did result in this case, in the fact that whites would be promoted and African-Americans would not be promoted.

The Supreme Court said that the Civil Rights Act of 1964 prevents more than intentional discrimination; that it prevents acts which are neutral on their face but which result in unintentional discrimination. But of course you can pass this kind of act intentionally. The original grandfather clause was passed in the Southern States. Everyone has heard of the grandfather clause. It was passed after the Civil War and after Reconstruction ended and Northern troops were withdrawn.

It simply said that if you want to vote in our State, your grandfather has to have been eligible to vote, and that applied to everybody, regardless of race—I cannot say gender, because unfortunately that was not allowed as a right to women anywhere that I know of—but the Southern States, everyone in order to vote can only vote if their grandfather could vote.

That does not apply to any particular race. But considering the fact, however, that obviously the grandfathers of the African-American citizens would have been slaves and could not vote, guess who could not vote under that provision? So it is obvious, it is possible to have a provision that is neutral on its face but results in discrimination.

The Supreme Court did not accuse Duke Power Co. of doing that here. In fact, the employees did not accuse the company. They simply said this provision results in disparate impact. And the Supreme Court said that disparate impact can also be prohibited by the Civil Rights Act of 1964 even if discrimination is, in fact, unintended.

Now, the Supreme Court found for the plaintiffs in this case, having stated the general idea; they did not say there could not be any kind of requirement for hiring or promotion. They said, and they used different wording throughout the case, and H.R. 1 and other bills take parts of this wording, each side therefore says, "We are using the wording from the Griggs case."

They said that the requirement has to meet the job performance requirement or, in other language, they say that business necessity of the employer in having a standard of some kind, it has to have manifest connection to the employment, and used other different words like that. As I say, different bills picked parts of those words.

□ 2050

But the main issue in Griggs, the main finding in Griggs, is that employers can have standards, but the standards have to relate to the employment, and I will put that in quotes because, whether it is employment or job performance, the impact wording is used interchangeably by the court and a subject of heated argument.

Now it is extremely interesting. What does it mean to be related to the job? In the Griggs case, and this is very significant in that case, they said that we are not going to deal with whether the employer can set up a requirement for broader reasons than the specific job that is being discussed. In other words, we are not going to deal here with: Can the employer have a requirement for hiring individuals based upon future ability to promote, for example? The Supreme Court said that because they said it was not raised by the employer in Duke Power Co. In Duke Power Co. the employer basically argued we have a right to have a test, we have a test, and what test we have is up to us, and the Supreme Court said, "No, you can't. It has to be related to the employer or has to be related to the job," and they found that having a high school diploma or passing these intelligence tests was not necessary to perform the jobs in the other areas of the company, and, therefore, having a requirement for this kind of test or this kind of diploma, which does not relate to the employment, but which has the edge of limiting African-Americans in this case, and others I am sure, is a violation of the Civil Rights Act of 1964.

Now the Wards Cove case in 1989 made further interpretation of the Griggs case on a number of fronts, and actually because my time is starting to run a little slim here I think that, rather than trying to go through each way Wards Cove addressed Griggs and how H.R. 1 addressed Wards Cove and other laws I am about to refer to affected each other, I think I best phrase it this way:

In deciding whether there is disparate impact, and can action be taken, and what are the defenses, the Wards Cove case raised certain issues, and how these issues are resolved, whether it is in Wards Cove, or whether it is in H.R. 1, or in any other bills makes it easier or less easy to say an employer is in fact violating the Civil Rights Act of 1964, and I would like to cite five of those points that are raised and discussed, and raised and discussed again, not only in this case, but in the bill.

First is proving that disparate impact exists. What statistics are used? Does one compare the number of racial minorities in lower level jobs with higher level jobs, or does one compare the number of racial minorities actually employed in the company as a whole with the job force available or with the general civilian population available? That is the first issue that is discussed, and it is very important in deciding this issue. Whose numbers do we use in other words?

Second of all, if once it is decided which numbers are examined to determine if there is in fact disparate impact at all, the second issue is: Must the employee or those who wish to be hired identify which of the employer's practices causes disparate impact? In Griggs they did that. They identified the high school diploma and the intelligence tests. Can an employee say, "Well, it must be one of a group of practices that the employer has, and here's a group of 20," and let it go at that?

Third, it is established; it was established in Griggs, that even if the employer is causing disparate impact through business practices, the employer can defend that if the employer has a business necessity for the practice involved. Now once again all individuals agree with that principle. Nobody disagrees with that that I heard, but the definition of business necessity is widely debated.

Fourth, if business necessity is adequately defined, does it have to be an

absolutely necessary business necessity or something that is good for the employer, but he or she could do without? How far can a business necessity be used?

Fifth, if it can be shown that the employer causes disparate impact and the employer raises the reason: "Well, yes, I do because my hiring practices are a business necessity to me," who has got the burden of proof of proving that? Does the employer have to prove this is a business necessity? Or does the employee have to prove it is not a business necessity?

Another extremely important issue here: H.R. 1 and the administration bill. I am going to wrap up here in a moment by talking about the different bills and votes. Both reverse the Wards Cove case.

For example, both said that, if business necessity is raised as a defense, if the employer says, "I have to do this; I'm sorry it causes disparate impact, but I just need it for my business," both the administration and H.R. 1 say the burden of proof is on the employer. I might add that I heartily agree with that, and that is in conformance with other general rules that, if an affirmative defense is raised, yes, I did it, but I had to because, that that normally transfers the burden of proof to the person who is raising that defense, and that is in both bills, and I agree with that.

Mr. Speaker, my conclusion on this issue is that when we put H.R. 1 and the administration's position side by side, on the whole the administration had the better position. The administration had the better position because it allowed greater flexibility on these issues for the employer, and I think that within a reasonable degree the employer should have a flexibility. If we narrow business necessity just to performing the job; if the job, for example, is folding pieces of paper, and we say that the employer cannot have any requirement to hire people except how well they fold pieces of paper; then I think we defeated the ability of employers to do many other things that we want business to do to be competitive.

I can think of innumerable examples. Just a couple: Suppose the employer wants the people to be bilingual or to agree to learn a second language because they want to do business in a country where English is not the predominant language. That could be a concept that goes beyond whether one can fold a paper. That could apply to, of course, doing business in sections of this country where English is not the predominant language. Let us suppose that the employer is thinking of opening up another branch elsewhere in the United States or even overseas and says, "If you want to come to work for us, you have to agree to work at least 1 year in our new overseas office, if we open it, so we could get it going," and I think that is another example where an employer has a legitimate need which goes beyond: Do you fold a piece of paper? The key words are: legitimate interests of the employers.

We do not want another grandfather clause. We do not want another provision that is intended to discriminate or results in discrimination without any rhyme or reason to it. But I think that the administration has the better position because of its greater flexibility to business which I think should be offered.

Mr. Speaker, let me conclude by going through one last area here, and that is the actual votes we took on the House floor. This became one more complexity because we had three different amendments to vote upon and then the procedures used in those amendments. When this reached the House floor, we had the original bill with three amendments offered. The first was the Towns-Schroeder amendment after our colleagues, Congressman TOWNS and Congresswoman SCHROEDER, which again, because of lack of time here, I would describe as the most like H.R. 1, the fewest changes to H.R. 1, basically a repetition of H.R. 1, though with some differences.

The second amendment that was offered was the Michel amendment after our distinguished minority leader, Congressman MICHEL, and it was the administration's bill which did not allow a suit for damages, but it had this broader business flexibility idea.

Third and finally, there was the Brooks-Fish amendment after our colleagues, JACK BROOKS and HAMILTON FISH, the chairman and ranking Republican, respectively, on the Committee on the Judiciary, which I think could fairly be described as an attempt to compromise between the first two.

Now I want to say that I voted in what might be considered an unusual fashion. Just stopping for a moment with the Towns-Schroeder substitute and the Michel substitute, I voted for both of those. Now since those were put as diametrically opposed to each other, how could one do that? Why would one do that? Well, it is because I agreed with parts of both. I agreed with the intentional discrimination provisions of the Towns-Schroeder, and I agreed with the business practices provisions of the administration's bill. The point is that voting for both; in other words, expressing myself this way, was made necessary because we were not allowed an open rule, meaning we were not allowed to freely amend these amendments. We had to vote yes or no on the Towns-Schroeder amendment, we had to vote yes or no on the Michel amendment, and we had to vote yes or no on the Brooks-Fish amendment.

□ 2100

We could not, and I have expressed how I would do it. Other Members would do it differently. We could not go up to the Towns-Schroeder amendment, the first one offered, and say, "I move to amend this to change paragraph 7 in this bill." It was not allowed by the Committee on Rules.

When we had the Towns-Schroeder amendment, we had to vote yes or no. That was our only choice. The same with the Michel amendment, and the same with the Brooks-Fish amendment.

Therefore, I voted yes twice, expressing support for two different parts of these two bills.

But it might be asked, was there not a risk then? Both these amendments failed. Neither the Towns-Schroeder amendment nor the Michel amendment received a majority of votes.

We then went on to vote for the compromise bill. I voted for it. That is now what is over in the other body. It can be rightfully asked, is there not a risk of a contradiction? Let us suppose that more than one of these passed. Is there not a risk you would have more than one bill going over to the Senate?

The answer is there was absolutely no risk. The reason there was no risk is because of another procedural means we have in this body called King of the Hill. King of the Hill is a little device that says where more than one amendment is offered, the last one that passes becomes the law, period, and it does not matter whether the first two passed or did not pass. It does not even matter if the first two passed by more votes.

In this particular case it was simply common knowledge that the Brooks-Fish substitute was going to pass. What that meant was that the first two amendments, the one offered, if you will, from the left, and the one offered from the right, were going to be defeated, no matter how many votes they got. Therefore, I could in fact vote for two, because they were both in effect dead as legislation anyway by the way the procedures were set up.

Let me conclude by talking about the future. We did pass the Brooks-Fish substitute. We have sent it over to the other body. Still another amendment, at least one, will be offered there. Perhaps more.

Mr. Speaker, my view is that we do need a bill. There are matters which need to be corrected in the decisions that have been made, as well as other aspects of civil rights legislation.

I simply urge Members to reduce the amount of acrimony that I have heard rise over this issue on both sides, and to seek to reach an intelligent overall compromise, that will do its best to compromise the various points, which I believe is possible, and which I believe can ultimately produce a bill that will advance our search for civil rights, and

which will not have the adverse effect of creating a quota.

TRIBUTE TO HAZELTINE NATIONAL GOLF CLUB, CHASKA, MN

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. RAMSTAD. Mr. Speaker, the people of Minnesota welcome golf fans from all over the world to the U.S. Open Golf Championship starting tomorrow at Hazeltine National Golf Club, Chaska, MN.

Mr. Speaker, I rise to salute the 3,500 dedicated volunteers in the Third District of Minnesota who have been working hard for several years to prepare to host the 91st U.S. Open Golf Championship.

Hazeltine National Golf Club in Minnesota is a fitting site for the world's most prestigious golf tournament. There are more golfers per capita in Minnesota than any other State, and more golfers in the Third District of Minnesota than any other area of the State.

This year's tournament promises to be one of the most exciting ever. Already the crowds at the three practice rounds have smashed all previous attendance records.

Based on the number of tickets sold, overall attendance records are sure to be broken. Minnesotans love golf and appreciate great talent. An unprecedented field of competitors has assembled.

The course itself has drawn rave reviews from these U.S. Open golfers, the best to judge the field of competition. Many of them have called Hazeltine the best test of gold for an Open in many years—tough but fair, immaculately conditioned, picturesque. This is a real credit to the staff at Hazeltine.

Mr. Speaker, today as the U.S. Open begins in Chaska, MN, I invite all my colleagues to see why the great State of Minnesota is the sports capital of the Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YATES (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SCHIFF) to revise and extend their remarks and include extraneous material:)

Mr. WELDON, for 60 minutes, today.

Mr. SCHIFF, for 60 minutes, today.

(The following Members (at the request of Mr. HUTTO) to revise and extend their remarks and include extraneous material:)

Mr. HUTTO, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WILLIAMS, for 60 minutes, on June 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PANETTA and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,521.

(The following Members (at the request of Mr. SCHIFF) and to include extraneous matter:)

Mr. GOODLING.

Mr. MOORHEAD.

Mr. SMITH of Oregon.

Mr. MACHTLEY.

Mr. PORTER.

Mr. SOLOMON.

Mr. DAVIS.

Mr. DORNAN of California in two instances.

Mr. SHAW.

Mr. CUNNINGHAM in two instances.

Mr. WOLF.

Ms. ROS-LEHTINEN.

Mr. HUNTER.

Mr. MCEWEN.

Mr. GEKAS.

Mr. SUNDQUIST.

Mr. GILMAN.

(The following Members (at the request of Mr. HUTTO) and to include extraneous matter:)

Mr. MILLER of California in two instances.

Mr. EDWARDS of California.

Mr. ACKERMAN.

Mr. FASCELL.

Mr. SCHUMER.

Mr. NEAL of Massachusetts.

Mr. REED.

Mr. BROWN.

Mr. STARK.

Mr. HOCHBRUECKNER.

Mr. HAMILTON.

Mr. MOAKLEY.

Mr. RANGEL.

Mr. LIPINSKI.

Mr. BUSTAMANTE.

Mrs. BOXER in two instances.

Mr. LAFALCE.

Mr. LANTOS.

Mr. ROE in two instances.

Mr. TORRES.

Mr. TOWNS.

Mr. SABO.

Mr. SOLARZ.

Mrs. LOWEY of New York.

Ms. SLAUGHTER of New York.

Mr. KILDEE.

Mr. HUBBARD.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 426. An act for the relief of Abby Cooke; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 91. Joint resolution designating June 10 through 16, 1991, as "Pediatric AIDS Awareness Week."

ADJOURNMENT

Mr. SCHIFF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 5 minutes p.m.), the House adjourned until tomorrow, Thursday, June 13, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1528. A letter from the Assistant Administrator, Environmental Protection Agency, transmitting the annual report on conditional registration of pesticides during fiscal year 1990, pursuant to 7 U.S.C. 136w-4; to the Committee on Agriculture.

1529. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize the disposal of certain strategic and critical materials from the National Defense Stockpile and to amend the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.); to the Committee on Armed Services.

1530. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Annual Audit of the Boxing and Wrestling Commission for Fiscal Year 1990," pursuant to D.C. Code, section 47-117(d); to the Committee on the District of Columbia.

1531. A letter from the Secretary of Education, transmitting a notice of Final Priority—Developmental Bilingual Education and Special Alternative Instructional Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1532. A letter from the Secretary of Education, transmitting a notice of Final Priority—Training Programs for Educators—Innovative Alcohol Abuse Education Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1533. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Higher Education Act of 1965 to target Federal grant assistance on the lowest-income students, to reward excellence and success in education, to enhance choice and flexibility, to promote greater accountability, to reduce waste and abuse in

the use of public funds, to extend the act, and for other purposes; to the Committee on Education and Labor.

1534. A letter from the Assistant Secretary for Fossil Energy, Department of Energy, transmitting notification that the Strategic Petroleum Reserve Quarterly Report due May 15, 1991, has been delayed and expect to submit the report by June 17, 1991; to the Committee on Energy and Commerce.

1535. A letter from the Defense Security Assistance Agency, transmitting a copy of Transmittal No. 06-91, concerning a proposed Memorandum of Understanding Cooperative Project with the defense establishments of the Federal Republic of Germany, and the Kingdom of Norway, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

1536. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original reports of political contributions by Richard W. Carlson, of California, Ambassador-designate and members of his family pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1537. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of Treasury, transmitting a copy of an amendment to the Kuwait Assets Control Regulations, pursuant to Public Law 101-513, section 586C(c)(1) (104 Stat. 2048); to the Committee on Foreign Affairs.

1538. A letter from the Administrator, Agency for International Development and the First Vice President and Chairman, Eximbank of the United States, transmitting the Agency's semiannual report on the amount and extension of credits under the Trade Credit Insurance Program to Costa Rica, Guatemala, Honduras, El Salvador, and Nicaragua, 1990, pursuant to 22 U.S.C. 2184(g); to the Committee on Foreign Affairs.

1539. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1995 resulting from passage of H.R. 2127, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

1540. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Department's Office of Inspector General for the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1541. A letter from the Federal Cochairman, Appalachian Regional Commission, transmitting the semiannual report of the Office of Inspector General covering the period October 1, 1990 through March 31, 1991, pursuant to Public Law 95-452, section 8E(h)(2) (102 Stat. 2525); to the Committee on Government Operations.

1542. A letter from the Executive Secretary, Federal Reserve Employee Benefits System, transmitting a copy of the retirement plan for employees of the Federal Reserve System, as of December 31, 1990, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1543. A letter from the Director, Legislative Affairs, Department of Commerce, transmitting a report entitled, "U.S. Foreign Trade Highlights, 1990"; to the Committee on Ways and Means

1544. A letter from the Secretary, Department of Health and Human Services, transmitting the third annual report on Indian Sanitation Facility Deficiencies, pursuant to Public Law 100-713, section 302 (102 Stat. 4815); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1545. A letter from the Acting Secretary of the Treasury, transmitting the Department's 1991 report on intermarket coordination, pursuant to section 8(a) of the Market Reform Act of 1990; jointly to the Committees on Energy and Commerce, Banking, Finance and Urban Affairs, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 174. Resolution waiving certain points of order during consideration of H.R. 2608, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-107). Referred to the House Calendar.

Mr. OBEY: Committee on Appropriations. H.R. 2621. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-108). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROYBAL: Committee on Appropriations. H.R. 2622. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes (Rept. 102-109). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee of Conference. Conference report on S. 64 (Rept. 102-110). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOODLING (for himself, Mr. RIDGE, Mrs. ROUKEMA, Mr. GUNDERSON, Mr. HOUGHTON, and Mr. REGULA):

H.R. 2620. A bill to amend the National Labor Relations Act to prevent discrimination based on participation in an economic strike; to the Committee on Education and Labor.

By Mr. OBEY:

H.R. 2621. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. ROYBAL:

H.R. 2622. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1992, and for other purposes.

By Mr. BUSTAMANTE:

H.R. 2623. A bill to amend title 10, United States Code, to permit the expansion of the dental program for spouses and children of members of the Armed Forces; to the Committee on Armed Services.

By Mrs. COLLINS of Illinois (for herself, Mr. GEPHARDT, Mr. KOSTMAYER, Mr. BRUCE, Mr. MANTON, Mr. TOWNS, Mr. MCMILLEN of Maryland, Mr. LEVIN of Michigan, Mr. BRYANT, Mr. SIKORSKI, Mr. ECKART, Mr. MINETA, Mr. WISE, Mr. DURBIN, and Mrs. BENTLEY):

H.R. 2624. A bill to amend section 721 of the Defense Production Act of 1950 to clarify and strengthen its provisions pertaining to national security takeovers; jointly, to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, and Foreign Affairs.

By Mr. COMBEST:

H.R. 2625. A bill to amend title 44, United States Code, to provide for improved identification and assessment of the paperwork burden imposed on beneficiaries of health care services and providers of such services, and to provide for the reduction of such burden; to the Committee on Government Operations.

By Mr. DELLUMS:

H.R. 2626. A bill to eliminate certain obsolete reporting requirements for the District of Columbia; to the Committee on the District of Columbia.

By Mr. GOODLING (by request):

H.R. 2627. A bill to amend the Higher Education Act of 1965 to target Federal grant assistance on the lowest-income students, to reward excellence and success in education, to enhance choice and flexibility, to promote greater accountability, to reduce waste and abuse in the use of public funds, to extend the act, and for other purposes; to the Committee on Education and Labor

By Mr. JOHNSON of South Dakota (for himself, Mr. OBEY, Mr. DORGAN of North Dakota, Mr. LAROCCO, Mr. MOODY, Mr. NAGLE, Mr. PETERSON of Minnesota, Mr. SANDERS, and Mr. STALLINGS):

H.R. 2628. A bill to amend the Agricultural Act of 1949 to establish a two-tier price support program for milk to operate in any year in which the Commodity Credit Corporation purchases of milk will exceed 4,500,000,000 pounds and to establish a minimum solids content for fluid milk; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. LAFALCE:

H.R. 2629. A bill to amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes; to the Committee on Small Business.

By Mr. ORTIZ:

H.R. 2630. A bill to provide that immigration judges, for purposes of determining compensation, be treated in the same manner as administrative law judges; to the Committee on the Judiciary.

By Mr. SHARP:

H.R. 2631. A bill to amend the Clayton Act and the Defense Production Act of 1950 with respect to notification of certain mergers and acquisitions, and for other purposes; jointly, to the Committees on the Judiciary, Banking, Finance and Urban Affairs, Energy and Commerce, and Foreign Affairs.

By Mr. STARK (for himself and Mr. ROEMER):

H.R. 2632. A bill to amend the Internal Revenue Code of 1986 to deny the benefits of the Puerto Rico and possession tax credit in the case of runaway plants; to the Committee on Ways and Means.

By Mr. WOLF:

H.R. 2633. A bill to amend the Internal Revenue Code of 1986 to increase the amount of the earned income tax credit for individuals with young children; to the Committee on Ways and Means.

By Mr. FASCELL (for himself, Mr. HAMILTON, Mr. BERMAN, Mr. GEJDENSON, Mr. LANTOS, Mr. LEVINE of California, Mr. WEISS, Mr. LAFALCE, Mr.

GEPHARDT, Mr. GILMAN, Mr. OBEY, and Mr. MILLER of Washington):

H.J. Res. 270. Joint resolution to prohibit the proposed sale to the United Arab Emirates of AH-64 Apache attack helicopters; to the Committee on Foreign Affairs.

By Mr. MINETA (for himself, Mr. MATSUI, Mr. HORTON, Mr. HOYER, Mrs. MINK, Mr. MILLER of California, Mr. EDWARDS of California, Mr. LEVINE of California, and Mr. JONES of Georgia):

H.J. Res. 271. Joint resolution authorizing the Go for Broke National Veterans Association to establish a memorial to Japanese American Veterans in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. GEKAS:

H. Con. Res. 165. Concurrent resolution expressing the sense of the Congress relating to investigation of the Medicare Program and the high cost of durable medical equipment provided by certain health care suppliers; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RITTER:

H. Res. 175. Resolution concerning the Republic of Latvia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

181. By the SPEAKER: Memorial of the Senate of the State of Louisiana, relative to England Air Force Base; to the Committee on Armed Services.

182. Also, memorial of the Senate of the State of Alaska, relative to Federal legislation against violence to women; to the Committee on the Judiciary.

183. Also, memorial of the General Assembly of the State of Colorado, relative to the desecration of the U.S. flag; to the Committee on the Judiciary.

184. Also, memorial of the House of Representatives of the State of Alaska, relative to the Federal highway trust fund and the federally aided highway program; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 196: Mr. JEFFERSON, Mr. DIXON, Mr. PAYNE of New Jersey, Ms. NORTON, and Mr. CLAY.

H.R. 300: Mr. NEAL of Massachusetts.

H.R. 640: Mr. STENHOLM.

H.R. 645: Mr. VALENTINE and Mr. KANJORSKI.

H.R. 667: Mr. STAGGERS, Mr. WYDEN, Mr. OWENS of New York, Mr. KANJORSKI, and Mr. MARKEY.

H.R. 710: Mr. PACKARD, Mr. HAMMERSCHMIDT, Mr. MCMILLEN of Maryland, Mr. PORTER, Mr. MACHTLEY, Mr. TAYLOR of Mississippi, Mr. SCHAEFER, Mr. BRYANT, and Mr. WILSON.

H.R. 841: Mr. MILLER of California.

H.R. 906: Mr. STARK.

H.R. 907: Mr. NAGLE and Mr. HORTON.

H.R. 967: Mr. LEWIS of Georgia.

H.R. 1061: Ms. NORTON.

H.R. 1062: Ms. NORTON.

H.R. 1080: Mr. HAYES of Illinois and Mr. SENSENBRENNER.

H.R. 1116: Mr. BOUCHER.

H.R. 1124: Mr. EVANS, Mr. HAYES of Illinois, and Mr. MACHTLEY.

H.R. 1147: Mr. BLAZ, Mr. PERKINS, Mr. MCMILLAN of North Carolina, Mr. PRICE, Mr. ERDREICH, Mr. BILIRAKIS, and Mrs. MORELLA.

H.R. 1156: Mr. KYL, Mr. ANDERSON, Mr. DANNEMEYER, and Mr. ECKART.

H.R. 1277: Mr. CARR, Mr. CAMPBELL of California, Mr. HALL of Texas, Mr. ZELIFF, Mr. THOMAS of California, Mr. JOHNSON of Texas, Mr. NICHOLS, Mr. BARTON of Texas, Mr. DAVIS, Mr. HUTTO, Mr. ROE, Mr. HARRIS, Mr. DARDEN, Mr. TORRICELLI, Mr. TAYLOR of Mississippi, Mr. NEAL of Massachusetts, Mr. TANNER, Mr. MURTHA, Mr. BILBRAY, Mr. MURPHY, Mr. STENHOLM, Mr. MILLER of Ohio, Mr. BACCHUS, Mr. HAYES of Louisiana, Mr. TORRES, Mr. ORTIZ, Mr. MCCANDLESS, Mr. KILDEE, Mr. LEWIS of Georgia, Mr. DYMALLY, Mr. SANGMEISTER, Mr. LAGOMARSINO, Mr. LEACH, Mr. TAUZIN, Mr. FEIGHAN, Mr. ROWLAND, and Mr. BENNETT.

H.R. 1300: Mr. BEILENSON.

H.R. 1328: Mr. KOPETSKI and Mr. BROWN.

H.R. 1345: Mr. BALLENGER and Mrs. BYRON.

H.R. 1346: Mr. LEHMAN of California.

H.R. 1385: Mr. BONIOR, Mrs. MINK, Mr. HAYES of Illinois, Mr. MCCLOSKEY, and Mr. GAYDOS.

H.R. 1406: Mr. SKEEN, Mrs. BENTLEY, Mr. GILCHREST, Mr. HAYES of Louisiana, Mr. CHANDLER, Mr. MAVROULES, Mr. FROST, and Mr. AUCOIN.

H.R. 1430: Mr. HOCHBRUECKNER and Mr. TRAFICANT.

H.R. 1450: Mr. DURBIN, Mrs. LLOYD, Mr. DIXON, Mr. SHUSTER, Mr. CRAMER, Mr. PETRI, Mr. KILDEE, Mr. ARCHER, Mr. LUKEN, and Mr. AUCOIN.

H.R. 1454: Mr. SANDERS.

H.R. 1525: Mr. PEASE.

H.R. 1538: Mr. BENNETT, Mr. ECKART, and Mr. STARK.

H.R. 1597: Mr. SCHEUER.

H.R. 1601: Mr. KOSTMAYER.

H.R. 1677: Mr. NEAL of North Carolina.

H.R. 1723: Mr. BUSTAMANTE and Mr. FISH.

H.R. 1733: Mr. COLEMAN of Texas, Mr. PRICE, Mr. DORGAN of North Dakota, Mr. SABO, and Mr. GUARINI.

H.R. 2213: Mr. ROE, Mr. TOWNS, Mr. DURBIN, Mr. LANCASTER, and Mr. FROST.

H.R. 2224: Mr. KOSTMAYER and Mr. MACHTLEY.

H.R. 2254: Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ANNUNZIO, Mr. BACCHUS, Mr. BEILENSON, Mr. BURTON of Indiana, Mr. CRANE, Mr. LEHMAN of Florida, Mr. FOGLIETTA, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Mrs. LLOYD, Ms. ROS-LEHTINEN, Mr. LENT, Mr. HERTEL, Mr. KOPETSKI, Mr. ENGEL, Mr. HOUGHTON, Mr. SISISKY, Mr. DORNAN of California, Mr. ERDREICH, Mr. SOLARZ, Mr. SCHUMER, Mr. WOLPE, Mr. LANTOS, Mr. JOHNSTON of Florida, Mr. SCHEUER, Mr. WAXMAN, Mr. GREEN of New York, Mr. FASCELL, Mr. YATRON, Mr. GEJDENSON, Mr. MCHUGH, Mr. MCNULTY, Mr. FEIGHAN, Mr. HORTON, Mr. EVANS, Mr. WEISS, Mr. MARKEY, Mrs. LOWEY of New York, Mr. LEVINE of California, Mr. LANCASTER, Mr. FROST, Ms. NORTON, Mr. SLATTERY, Mr. DELLUMS, Mr. SMITH of Florida, Mr. DURBIN, Mr. ZELIFF, Mr. GILMAN, Mr. SERRANO Mrs. VUCANOVICH, Mr. UPTON, Mr. KOLBE, Mr. MILLER of Washington, Mr. PANETTA, Mr. FALEOMAVAEGA, Mr. SOLOMON, Mr. MRAZEK, and Mr. MONTGOMERY.

H.R. 2257: Mr. WEBER.

H.R. 2258: Mr. ANDREWS of New Jersey, Mr. FRANK of Massachusetts, Mr. KILDEE, Mr. MCCLOSKEY, Mr. MURTHA, Mr. RANGEL, Mrs. SCHROEDER, Mr. SLATTERY, Mr. TOWNS, and Mr. WALSH.

H.R. 2279: Mr. NEAL of Massachusetts.

H.R. 2335: Mr. NEAL of Massachusetts.

H.R. 2351: Mr. WYDEN.

H.R. 2374: Ms. PELOSI and Mrs. UNSOELD.

H.R. 2393: Mr. PAYNE of New Jersey, Mr. ROE, and Mr. FASCELL.

H.R. 2394: Mr. PAYNE of New Jersey, Mr. ROE, and Mr. FASCELL.

H.R. 2419: Mr. HAYES of Illinois, Mr. INHOFE, and Mr. KILDEE.

H.R. 2448: Mr. COLEMAN of Texas, Mr. HAYES of Illinois, Mr. JONES of North Carolina, Mr. KILDEE, Mr. LEHMAN of Florida, Mr. MOLLOHAN, Mr. NOWAK, and Mr. VENTO.

H.R. 2470: Mr. WEBER and Mr. WILSON.

H.R. 2492: Mr. ECKART.

H.R. 2515: Mr. DWYER of New Jersey, Mr. DUNCAN, Mr. ANDREWS of New Jersey, Mr. TAYLOR of North Carolina, Ms. MOLINARI, Mr. EMERSON, Mr. PETERSON of Florida, Mr. DEFAZIO, and Mr. MAZZOLI.

H.R. 2566: Mr. BONIOR, Mr. PETRI, Mr. ROSE, Mr. INHOFE, Mr. GONZALEZ, Mr. DARDEN, Mr. HATCHER, and Mr. ROWLAND.

H.R. 2579: Mr. HORTON, Mr. MARTIN, and Mr. ROYBAL.

H.R. 2584: Mr. HORTON and Mr. ABERCROMBIE.

H.J. Res. 67: Mr. MARKEY, Mr. LEHMAN of Florida, Mr. BORSKI, and Mr. LEACH.

H.J. Res. 102: Mr. SKELTON, Mr. MCDERMOTT, Mr. MARTIN, Mr. HOBSON, Mrs. COLLINS of Illinois, Mr. BACCHUS, Mr. GUARINI, Mr. BARNARD, Mr. BORSKI, Mr. SHAYS, Mr. CARDIN, Mr. CARPER, Mr. COBLE, Mr. FROST, Mr. DAVIS, Mr. DARDEN, Mr. DICKINSON, and Mr. DELLUMS.

H.J. Res. 140: Mr. HOCHBRUECKNER, Mr. DUNCAN, Mrs. LLOYD, Mr. HOUGHTON, Mr. KLECZKA, Mr. TAUZIN, Mr. JACOBS, Mr. GEREN of Texas, Mr. HAYES of Louisiana, Mr. KENNEDY, Mr. ABERCROMBIE, Mr. SAWYER, Mr. ASPIN, and Mr. GONZALEZ.

H.J. Res. 152: Mr. LAGOMARSINO, Mr. GOODLING, and Mr. RAY.

H.J. Res. 207: Mr. SIKORSKI, Mr. NEAL of North Carolina, Mr. KASICH, Mr. COLEMAN of Texas, Mr. VALENTINE, Mr. CHAPMAN, Mr. RAVENEL, Mr. STOKES, Mr. TAYLOR of North Carolina, Mr. BERMAN, Mr. COOPER, Mr. MOODY, Mr. MANTON, Mr. MARKEY, Mr. SANGMEISTER, Mr. FAZIO, Mr. DE LUGO, Mr. PRICE, Mrs. KENNELLY, Mr. BRUCE, Mr. SPRATT, Mr. MACHTLEY, Mr. KILDEE, Mr. MCCOLLUM, Mr. ASPIN, Mr. RICHARDSON, Mr. SCHEUER, Mr. WYDEN, Mr. LAUGHLIN, Mr. MOAKLEY, Mr. SCHULZE, Mr. IRELAND, Mr. GALLO, Mr. FEIGHAN, Mr. MORRISON, Mr. HALL of Texas, Mr. EDWARDS of Texas, Mr. FROST, Mr. STENHOLM, Mr. GEREN of Texas, Mr. DELAY, Mr. CHANDLER, Mr. HATCHER, Mr. MURTHA, Mr. HOAGLAND, and Mr. LOWERY of California.

H.J. Res. 216: Mr. ANNUNZIO.

H.J. Res. 229: Mr. MCGRATH, Mr. KASICH, Mrs. KENNELLY, Mr. BRYANT, Mr. WOLF, Mr. MCMILLAN of North Carolina, Mr. KILDEE, Mr. VALENTINE, Mrs. COLLINS of Illinois, Mr. MRAZEK, Mr. MATSUI, and Mr. SAXTON.

H.J. Res. 238: Mr. HORTON, Mr. PAYNE of Virginia, Mr. CLEMENT, Mr. MCDERMOTT, Mr. QUILLEN, Mr. SMITH of Florida, Mr. ERDREICH, Mr. DEFAZIO, Mr. GUARINI, Mr. BUSTAMANTE, Mr. RANGEL, Ms. NORTON, Mr. WALSH, Ms. KAPTUR, and Mr. ESPY.

H.J. Res. 255: Mr. PETERSON of Florida, Mr. KENNEDY, Mr. PAXON, Mr. BILIRAKIS, Mr. WOLF, Mr. BLAZ, Mr. MCMILLEN of Maryland, Mr. HORTON, Mr. ERDREICH, Mr. SMITH of Florida, Mr. BRYANT, Mr. ABERCROMBIE, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mr. WAXMAN, Mrs. JOHNSON of Connecticut, Mr.

MCNULTY, Mr. BATEMAN, Mr. CLEMENT, Mr. BEVILL, Mr. SKEEN, Mr. RITTER, Mr. QUILLEN, Mrs. VUCANOVICH, Mr. ANDREWS of New Jersey, Mr. ATKINS, Mr. BREWSTER, Mr. COBLE, Mr. DAVIS, Mr. DICKINSON, Mr. DICKS, Mr. DONNELLY, Mr. DOOLITTLE, Mr. DORNAN of California, Mr. GALLO, Mr. FOGLIETTA, Mr. FALEOMAVAEGA, Mr. ESPY, Mr. FAWELL, and Mr. GILCHREST.

H. Con. Res. 18: Ms. NORTON.

H. Con. Res. 63: Mr. ZIMMER.

H. Con. Res. 81: Mr. KASICH.

H. Con. Res. 100: Mr. ANDERSON, Mr. KASICH, Mr. TRAFICANT, Mrs. UNSOELD, Mr. BUSTAMANTE, Mr. THOMAS of Georgia, Mr. TAUZIN, Mr. TRAXLER, Mr. VOLKMER, Mr. CLEMENT, Mr. DYMALLY, Mr. YATRON, Mr. RITTER, Mr. DARDEN, Mr. RHODES, Mr. PESHARD, Mr. DONNELLY, Mr. HOCHBRUECKNER, Mr. FRANKS of Connecticut, Mr. GILMAN, Mr. FROST, Mr. FAZO, Mr. UPTON, and Mr. RIGGS.

H. Con. Res. 150: Mr. DE LUGO, Mr. FRANK of Massachusetts, Mr. GORDON, Ms. KAPTUR, Mr. MCDERMOTT, Mr. NEAL of North Carolina, Mr. OBERSTAR, Mr. RAHALL, Mr. RANGEL, Mr. RICHARDSON, Mr. SABO, Mr. SCHUMER, Ms. SLAUGHTER of New York, and Mr. Wyden.

H. Con. Res. 163: Mr. AUCOIN, Mr. SHAYS, Mr. BEVILL, Mr. MAVROULES, Mr. ROE, Mr. JEFFERSON, Mr. WAXMAN, Mrs. JOHNSON of Connecticut, Mr. HARRIS, Mr. RITTER, Mr. LOWERY of California, and Mr. SERRANO.

H. Res. 139: Mr. PAYNE of Virginia, Mr. JONTZ, Mr. LAGOMARSINO, Mr. DAVIS, Mr. INHOFE, Mr. HENRY, Mr. RIGGS, Mr. HUCKABY, Mr. ACKERMAN, Mr. PAYNE of New Jersey, Mr. HARRIS, Mrs. PATTERSON, and Mr. FIELDS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 392: Mr. CHANDLER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

87. By the SPEAKER: Petition of the Mayor and Council of the City of Sweetwater, FL, relative to the Fair Labor Standards Act; to the Committee on Education and Labor.

88. Also, petition of the mayor and council of the city of Sweetwater, FL, relative to amending the election laws; to the Committee on House Administration.

89. Also, petition of the mayor and council of the city of Sweetwater, FL, relative to amending the election laws; to the Committee on House Administration.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2508

By Mr. BURTON of Indiana

—Page 657, after line 25, insert the following:

SEC. 927. HUMAN RIGHTS IN INDIA.

(a) REPORT ON ACCESS OF HUMAN RIGHTS MONITORING ORGANIZATIONS.—Not later than 30 days after the date of enactment of this Act, the President shall report to the Congress whether the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

(b) TERMINATION OF DEVELOPMENT ASSISTANCE PROGRAMS.—If the President reports to the Congress, either pursuant to subsection (a) or at any other time, that the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country, 25 percent of development assistance for India shall be terminated, except for assistance to continue the vaccine and immunodiagnostic development project, the child survival health support project, and the private and voluntary organizations for health II project.

(c) RESUMPTION OF ASSISTANCE.—Assistance terminated pursuant to subsection (b) may be resumed only if the President reports to the Congress that the Government of India is no longer implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

—Page 657, after line 25, insert the following:

SEC. 927. HUMAN RIGHTS IN INDIA.

(a) REPORT ON ACCESS OF HUMAN RIGHTS MONITORING ORGANIZATIONS.—Not later than 60 days after the date of enactment of this Act, the President shall report to the Congress whether the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

(b) TERMINATION OF DEVELOPMENT ASSISTANCE PROGRAMS.—If the President reports to the Congress, either pursuant to subsection (a) or at any other time, that the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country, 50 percent of development assistance for India shall be terminated, except for assistance to continue the vaccine and immunodiagnostic development project, the child survival health support project, and the private and voluntary organizatons for health II project.

(c) RESUMPTION OF ASSISTANCE.—Assistance terminated pursuant to subsection (b) may be resumed only if the President reports to the Congress that the Government of India is no longer implementing a policy which prevents representatives of Amnesty International and other human rights organizatons from visiting India in order to monitor human rights conditions in that country.

—Page 657, after line 25, insert the following:

SEC. 927. HUMAN RIGHTS IN INDIA.

(a) REPORT ON ACCESS OF HUMAN RIGHTS MONITORING ORGANIZATIONS.—Not later than 60 days after the date of enactment of this Act, the President shall report to the Congress whether the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

(b) TERMINATION OF DEVELOPMENT ASSISTANCE PROGRAMS.—If the President reports to the Congress, either pursuant to subsection (a) or at any other time, that the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country, 75 percent of development assistance for India shall be terminated, except for assistance to continue the vaccine and immunodiagnostic development project, the child survival health support project, and the private and voluntary organizations for health II project.

(c) RESUMPTION OF ASSISTANCE.—Assistance terminated pursuant to subsection (b) may be resumed only if the President reports to the Congress that the Government of India is no longer implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

—Page 671: In the Statement of Policy, delete section 1023(b)(3), and insert in lieu thereof the following:

(3) supports the fundamental right of self-determination for the people of Eritrea, and supports the exercise of that right by means of an internationally supervised referendum on Eritrea;

By Mr. KANJORSKI:

—On page 488, line 10, after the word "articles" insert

", other than construction equipment including but not limited to tractors, scrapers, loaders, graders, bulldozers, trucks, generators and compressors,"

By Mr. LAGOMARSINO:

—Page 381, line 7, after "(a) STATEMENT OF POLICY.—" insert "(1) POLICY TOWARD PAKISTAN.—"

—Page 381, line 24, insert the following new section:

"(2) REGIONAL NUCLEAR NON-PROLIFERATION POLICY.—The Congress further recognizes that a successful nuclear non-proliferation policy in South Asia can best be achieved through a regional United States policy aimed at securing concurrent agreement by the Governments of Pakistan, India and the People's Republic of China on non-proliferation. Such a policy should have as its ultimate goal concurrent accession by Pakistan, India and the People's Republic of China to the Nuclear Non-Proliferation Treaty, but should also include as needed a phased approach to that goal through a series of agreements between the parties on nuclear issues, such as the agreement reached by Pakistan and India not to attack one another's nuclear facilities."

—On page 383, line 3, after the words "ANNUAL CERTIFICATION.—", insert "(1) CERTIFICATION ON PAKISTAN.—".

—On page 383, line 16, insert the following new paragraph:

"(2) CERTIFICATION ON INDIA.—No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India, pursuant to the autorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that India has agreed to place all plutonium produced in the U.S.-supplied fuel for the Tarapur nuclear power plant (under the "Tarapur Agreement") under International Atomic Energy Agency safeguards after the Tarapur Agreement has ended.".

—On page 383, in subsection (e), after the word "Pakistan" in each case in which it occurs, insert the words "and India".
—On page 38, strike line 16 through page 384, line 14.
—On page 384, line 15 insert the following new section and renumber the following sections accordingly:
"SEC. 5505. ASSISTANCE FOR INDIA.

"(a) ANNUAL CERTIFICATION.—No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance is to be furnished or military equipment or technology sold or transferred, that India does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that India will possess a nuclear explosive device.
—On page 384, line 15 insert the following new section and renumber the following sections accordingly:
"SEC. 5505. ASSISTANCE FOR INDIA

"(a) ANNUAL CERTIFICATION.—No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance is to be furnished or military equipment or technology sold or transferred, that India does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that India will possess a nuclear explosive device.

"(b) FURTHER RESTRICTION ON ASSISTANCE.—Subject to subsection (c), unless a certification under subsection (a) is in effect as of September 30, 1992, no funds may be allocated for fiscal year 1993 for assistance to India, or for the sale or transfer of defense articles or defense services to India.

"(c) IF A CERTIFICATION IS MADE.—If a certification under subsection (a) is made in a fiscal year after the prohibition in subsection (b) applies, funds for assistance, sales, or transfers described in subsection (b) may be allocated for India pursuant to the reprogramming provisions of section 6304 of the Foreign Assistance Act or pursuant to a subsequent appropriation act."

By Mr. McCOLLUM:
—Page 712, after line 12, insert the following:
(c) RESTRICTION ON PROGRAMS IN LAOS.—The Peace Corps may not carry out programs in Laos until the President determines and so reports to the appropriate congressional committees, that the Government of Laos has taken legal and law enforcement measures to prevent and punish public corruption, especially by government officials, that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such acts.
—Page 128, strike out from line 5 "SEC. 2301. MODERNIZATION OF DEFENSE CAPABILITIES OF MILITARY ASSISTANCE RECIPIENTS", through page 134, line 7, and page 139, line 17, "SEC. 2303. NATURAL RESOURCES AND WILDLIFE MANAGEMENT", through page 143, line 22, and redesignate Sec. 2302, Sec. 2304, and Sec. 2305 as Sec. 2301, Sec. 2302, and Sec. 2303.
—Page 128, strike out from line 3 "CHAPTER 3—TRANSFERS OF EXCESS DEFENSE ARTICLES" through page 144, line 25, Sec. 2301 through Sec. 2305, and redesignate "CHAPTER 4" as "CHAPTER 3".
—Page 128, strike out from line 5 "SEC. 2301. MODERNIZATION OF DEFENSE CAPABILITIES OF MILITARY ASSISTANCE RECIPIENTS" through page 134, line 7, and redesignate Sec. 2302, Sec. 2303, Sec. 2304, Sec. 2305, as Sec. 2301, Sec. 2302, Sec. 2303, Sec. 2304.

By Mr. PORTER:
—Page 614, Line 4, after "AND" the second time it appears, insert "CERTAIN GOVERNMENTAL AGENCIES AND" and page 615 strike out lines 22 through 24 and insert in lieu thereof the following:

(2) any indigenous nongovernmental organization in the Soviet Union that promotes democratic reform, human rights, the rule of law, or market oriented reforms, and

(3) any governmental agencies in the Soviet Union that promote democratic reforms, human rights, the rule of law, or market oriented reforms, except that funds made available under this section may be expended for technical assistance for such an agency but may not be provided directly to such an agency.
—On page 614, line 24, strike "or" and insert ",human rights, the rule of law, or".
—Page 614, Line 4, after "AND" the second time it appears, insert "CERTAIN GOVERNMENTAL AGENCIES AND" and page 615 after line 24 insert the following:

(3) any governmental agencies in the Soviet Union that promote human rights and the rule of law, except that technical assistance provided under this paragraph must be used for the purpose of bringing together U.S. federal judges and Soviet judges from the federal and republic levels and prosecutors, court employees, law students, and other legal professionals for the purpose of conducting a dialogue on the independence of the judiciary, the proper role of the courts in a free society, and other legal and judicial issues, except that funds made available under this section may be expended for technical assistance for such an agency but may not be provided directly to such an agency.
—On page 614, line 24, strike "or" and insert ", human rights, the rule of law, or".

By Mr. SCHUMER:
—Page 665, after line 2, insert the following new section:

Sec. . Expressing the sense of Congress that Japan should fulfill its commitment to defend the air space and sea lanes within 1,000 nautical miles of Japan.

(a) FINDINGS.—

(1) Japan agreed in 1981 to assume from the United States the defense of the air space and sea lanes within 1,000 nautical miles of Japan;

(2) successful fulfillment of this mission requires extensive early warning and command and control capability which can only be provided by AWACS aircraft;

(3) after 10 years Japan has not purchased any of the vital early warning aircraft or the refueling tankers needed to support such aircraft;

(4) Japan's current five-year defense plan calls for the purchase of only 4 of the 12 to 14 AWACS planes and none of the refueling tankers required to assume this mission;

(5) the United States continues and will continue, under present Japanese planning, to provide the AWACS capability needed to defend Japanese air and sea space; and

(6) the United States will need to draw upon all of its AWACS capability in the future for the verification of arms reduction treaties and the protection of United States forces engaged in operations abroad like Operation Desert Storm: Now, therefore, be it

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Japan must live up to its commitment to defend its own air space and sea lanes out to 1,000 nautical miles;

(2) Japan must alter its defense plans to include the purchase of the requisite number of AWACS early warning aircraft and support tankers; and

(3) the Department of State should enter into negotiations with Japan leading to the successful assumption by Japan of the 1,000-mile defense mission.

By Mr. SOLOMON:
—Page 644, lines 4 and 5: Delete "IRAN, IRAQ, LIBYA, PAKISTAN, AND SYRIA." and insert in lieu thereof "CERTAIN COUNTRIES."
—Page 644, lines 21 and 22: Delete "Iran, Iraq, Libya, Pakistan, or Syria" and insert in lieu thereof "Algeria and such terrorist states as Iran, Iraq, Libya, and Syria".
—Page 645, lines 5 and 6: Delete "Iran, Iraq, Libya, Pakistan, or Syria" and insert in lieu thereof "Algeria and such terrorist states as Iran, Iraq, Libya, ans Syria".

By Mr. TAYLOR of Mississippi:
—On page 488, line 10, after the word "articles" insert ", other than construction equipment including, but not limited to, tractors, scrapers, loaders, graders, bullbozers, trucks, generators and compressors,"

By Mr. TORRICELLI:
—Page 566, strike out line 18 and all that follows through line 14 on page 568 (section 817) and insert in lieu thereof the following:
SEC. 817. DEMOCRATIC REFORM AND HUMAN RIGHTS IN KUWAIT.

(a) FINDINGS.—The Congress finds that—

(1) because the United States and its allies committed their armed forces and resources to the liberation of Kuwait, the United States and its allies have a special interest and responsibility with respect to the future of Kuwait; and

(2) it is United States policy to promote respect for internationally recognized human rights and the development of democratic institutions in Kuwait and around the world.

(b) REPORT.—Not later than sixty days after enactment, the President shall report to the appropriate congressional committees whether the Government of Kuwait—

(1) has put an end to the occurrences of arbitrary arrest, torture and other extrajudicial actions;

(2) has taken significant steps to bring to justice to those responsible for perpetrating such abuses;

(3) has ensured that those detained have access to legal counsel, the right to an open and speedy trial, and other internationally recognized standards of due process of law;

(4) is taking firm steps to terminate martial law and to restore full constitutional processes;

(5) has continued to allow the presence and activities of international human rights and humanitarian organizations; and

(6) remains committed to the October 1992 date established for parliamentary elections, is taking the necesary steps to establish conditions to ensure that such elections are free and fair, and is permitting universal suffrage.

(c) The President and the Congress shall take into account progress on the above-

mentioned factors when determining United State policies toward Kuwait, including policies regarding the sale of defense articles and defense services.