

EXTENSIONS OF REMARKS

IMF REFORM IS URGENTLY NEEDED

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. SAXTON. Mr. Speaker, I rise in support of reforming the International Monetary Fund (IMF). The reforms to be included in the appropriations bill, and particularly the enforcement provisions, are not nearly as extensive as I would have liked. Nonetheless, if these reforms are permitted to take effect, they will be steps in the right direction toward a longer-term reform of the IMF.

The implementation of the IMF reforms in this bill will be an important test of the good faith and credibility of the Treasury Department and IMF. We in Congress will also have to do our part to maintain vigilant and intensive oversight to ensure these reforms are implemented in accordance with congressional intent, and I am planning to establish a systematic way to do this while also advancing an agenda for further IMF reform.

With regard to the reforms themselves, a review of their development from earlier legislation is critical to understanding congressional intent. The structure of the reforms pertaining to transparency and market interest rates is clearly based on the IMF Transparency and Efficiency Act, H.R. 3331, which I introduced with Majority Leader Armeo and others last March. The reform proposals in the budget bill are essentially narrowed versions of the policy changes mandated in the IMF Transparency and Efficiency Act.

The biggest change is in the enforcement mechanism in this act, which has been replaced by a much weaker enforcement provision in the appropriations bill. Obviously I am disappointed with these changes, particularly with the weaker enforcement provisions, because it is unclear how diligently the Treasury and IMF will implement the reforms without airtight enforcement. Further enforcement measures will be called for if this mechanism proves insufficient.

With respect to the IMF transparency reforms in the appropriations bill, suffice it to say they reflect a strong congressional consensus that IMF documents be publicly released, and that IMF minutes of IMF board meetings should be publicly released in some form. Any abuse of the flexibility provided in this language would clearly not be acceptable.

With regard to the interest rate provisions, the higher interest rates are required any time the defined conditions of a balance of payments problem emerge. The compromise language uses some terms to describe these conditions also used by the IMF to describe an existing IMF loan facility, but there are essential differences that are important to note. Most importantly, the reform is to apply to all situations where the defined and rather typical characteristics associated with a balance of payments problem are present, whereas the

IMF loan facility is to be used only in "exceptional" circumstances.

Furthermore, the clear intent of this reform initiative is to require interest rates comparable to market interest rates, as expressed in H.R. 3331. What I intended in my bill was the use of a basic reference market interest rate, with an adjustment for risk added, so as to approximate the market interest rate a particular borrower would face. This would be at least equal to the market interest rates available to a borrower just before a crisis.

Prior to these negotiations, the staff of the Joint Economic Committee devised a floor to permit an objective limit on how low the rate could go for the sole purpose of limiting the potential for egregious abuse. What emerged in the reform was an interest rate formula providing a floor, whereas in the IMF lending facility this approach appears to be effectively a ceiling. The interest rates floor in the reform should not be viewed as determining the appropriate interest rate, which will vary depending on the risk factors present in different borrowing countries.

In the course of four hearings held by the Joint Economic Committee (JEC) the issues involving transparency and an end to interest rate subsidies were explored in extensive detail, as well as other issues. A complete legislative history of the IMF reforms about to be enacted with a view toward establishing congressional intent must include not only H.R. 3331, but also the germane material covered in these JEC hearings, the only hearings held that examined these reforms in any detail.

In summation, the broad congressional intent behind these IMF reforms is clear, and is reflected in the legislative history. A good faith effort to carry out these IMF reforms in keeping with the letter and spirit of the law will be as evident as the failure to do so.

REQUIRING THE SECRETARY OF STATE TO SUBMIT AN ANNUAL REPORT TO CONGRESS CONCERNING DIPLOMATIC IMMUNITY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. STOKES. Mr. Speaker, I rise in strong support of S. 759 which requires the Secretary of State to submit an annual report to Congress concerning any pending or ongoing cases involving foreign diplomats in the United States who commit serious crimes. This measure will allow the Congress to monitor serious offenses committed by individuals with such immunity to ensure that this privilege is not abused.

This bill directs the Department of State to provide adequate and pertinent information to the Congress for determining the frequency and legitimacy of diplomatic immunity claims requested by foreign governments. Moreover, the report will include incidents in which for-

eign governments have requested that the United States waive immunity for American diplomats who have committed serious crimes.

The information provided will allow the Congress to reexamine its current policies regarding diplomatic immunity while determining whether further agreements between nations and/or legislation is needed to reduce the applicability of such privilege.

Mr. Speaker, while it is clear that most individuals entitled to diplomatic immunity maintain the highest standards of conduct while carrying out their duties, we must recognize instances when such privilege should not be provided. I am often reminded on Viviane Wagner's struggle to hold a foreign diplomat criminally responsible for a drunk driving accident which claimed the life of her daughter, Joviane Waltrick. Although the diplomat's immunity was later waived, we must recognize that such reckless conduct should not be subject to immunity under any circumstance or in any country.

Mr. Speaker, I urge my colleagues to support passage of S. 759. This measure will provide useful information for the Congress to determine more appropriate circumstances for the application of diplomatic immunity. Vote yes on S. 759.

CONFERENCE REPORT ON H.R. 4328, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. PASCRELL. Mr. Speaker, I strongly support Section 117 of the Treasury Appropriations Conference Report now part of the FY 1999 Omnibus Appropriations Bill, which passed the House of Representatives on October 20, 1998. This Section arose out of a need to assist American victims of terrorism in recovering assets of states that sponsor terrorism in order to help satisfy civil judgments against such state-sponsors. The purpose of this provision is to put teeth into the laws that this Congress has passed regarding those nations who sponsor terrorism.

I would like to briefly comment and clarify the operation of Section 117. Subsection (f)(1)(A) clarifies existing law to allow the post-judgment seizure of blocked foreign assets of terrorist states to help satisfy judgments resulting from actions brought against them under Section 28 U.S.C. 1605(a)(7), the Foreign Sovereign Immunities Act's exception to immunity for acts of state sponsored terrorism involving the death or personal injury of a United States national.

Subsection (f)(2)(A) establishes requirements upon the Secretary of the Treasury and Secretary of State to assist in locating the blocked assets of terrorist states in order to facilitate attachment and execution. Section (d)

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

allows the President to waive the requirements of Subsection (f)(2)(A). Section (d) does not, however, allow the waiver of subsection (f)(1)(A), as that subsection modifies existing law, but imposes no "requirement."

The intent of Congress is clear and unambiguous. The provision under discussion, Section 117, is designed to send a message around the globe to those nations who sponsor terrorism. That message is straightforward—your assets are no longer protected from justice. The United States will no longer sit idly on the sidelines when our citizens and children are ruthlessly murdered in acts of state-sponsored terrorism. When a Court of competent jurisdiction has determined that a terrorist state has sponsored acts of terrorism resulting in the death or personal injury of a United States national, any and all of their assets in this country may be attached and executed to satisfy the judgment. The reality of significant financial loss to terrorist states will be a critical deterrent to further acts of terrorism targeted at the citizens of this country.

TRIBUTE TO THE HONORABLE
THOMAS J. MANTON

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. WYNN. Mr. Speaker, I rise today to pay tribute to Representative THOMAS J. MANTON for fourteen years of service to the citizens of the United States and New York City. Congressman MANTON departs Congress with the respect and admiration of his colleagues for his accomplishments and dedication to our nation.

Congressman MANTON's life truly is a shining example of the American Dream. He was born in 1932 to Irish immigrant parents and grew up in New York City. He graduated from St. John's University and St. John's Law School. After being admitted into the bar in 1963, Congressman MANTON served in the United States Marine Corps as a flight navigator and as an officer in the New York City Police Department. Eventually however, he practiced law as a senior partner in a Queens law firm.

Recognizing the chance to continue serving the public, Congressman MANTON successfully ran for the House of Representatives in 1984 and for seven consecutive terms has honorably served our nation. Since coming to this legislative body, he has served on the House Committees on Banking, Merchant Marine and Fisheries, House Administration and, for the past ten years, on the Commerce Committee. Needless to say, he has had many achievements, including championing the passage of the Clean Air Act of 1990, the Telecommunications Act of 1996 and Financial Services Reform. Also, as Co-Chairman of the Congressional Ad-Hoc Committee on Irish Affairs, he has been a strong voice for bringing peace to Northern Ireland. Congressman MANTON was instrumental in the implementation of the McBride Principles and the recent Good Friday Irish Peace Accord.

Mr. Speaker, since entering this body six years ago, it has been an honor and privilege serving with Congressman MANTON. His work for the 7th District of New York has been out-

standing, and his constituents can be proud of his tireless efforts on their behalf. I wish him success in his future pursuits and happiness in the years to come.

TRIBUTE TO MCREST

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. BONIOR. Mr. Speaker, I am honored to have the opportunity to recognize the achievements of a very special organization. For the past ten years, the Macomb County Rotating Emergency Shelter Team has been providing temporary emergency shelter for the homeless in Macomb County, Michigan. On November 5, 1998, community members, volunteers and host church participants will join in to celebrate the 10th Anniversary of this exceptional organization.

Prior to the opening of MCREST in 1988, many of the homeless from Macomb County were forced to go to other counties due to lack of shelter facilities. During their first year, eight churches participated in the program and could only provide for the very basic needs of the homeless. MCREST is unique in that the homeless are actually sheltered in each participating church, not a permanent shelter building. Bedding, beds, and all other equipment, supplies and materials needed to house the homeless, are actually transferred each week from church to church. These churches agree to open their facilities and their hearts to the homeless for a period of one week.

Throughout the years, MCREST has been a haven for the less fortunate members of society in Macomb County. While their goal is to no longer be needed because every person has a home, experience has taught them that the homeless will be with us for a long time to come. During 47 weeks of the year, MCREST and its participating member churches provide up to 65 shelter beds per night. In cooperation with other agencies, guests are offered medical screening and counseling. This humanitarian effort could not be accomplished without the tremendous dedication of over 5,000 church member volunteers.

I commend the work of MCREST and all member churches as they celebrate ten years of devotion to the homeless in Macomb County. Few people have the spirit and dedication to give to their community as they have given of themselves. I would like to congratulate MCREST and hope the goal of this organization can someday be realized.

BRUSSELS, ILLINOIS: A NATIONAL
HISTORIC DISTRICT

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. SHIMKUS. Mr. Speaker, I rise today to commend the residents of the tiny town of Brussels, Illinois for being named as a National Historic District. On October 4th, citizens of Brussels celebrated this honored event with displays reflecting the town's history and a festival where people dressed in period costumes.

Brussels, which is located between the Illinois and Mississippi Rivers, has a unique and special quality that is missing in many cities today. In our time of highly advanced technology it is refreshing to see a community like Brussels cherished for its heritage and history.

Again, I would like to congratulate Mayor Sarah Kinder and the residents of Brussels, Illinois for making this town special, not only because of its great history, but because of its great people.

SONNY BONO COPYRIGHT TERM
EXTENSION ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. CONYERS. Mr. Speaker, on October 9, 1998, I inserted a brief statement in the RECORD regarding S. 505, the Sonny Bono Copyright Term Extension Act.

In my statement, I expressed strong support for the extension of the statutory term of copyright protection. I neglected to note how appropriate it was to name the bill after the late Sonny Bono. Although we on the Judiciary Committee are now fortunate to have MARY BONO amongst our ranks, I would like the record to reflect how much we miss Sonny. Members of Congress have very few bills named after them, and the Copyright Term Extension Act is a very fitting tribute to Sonny.

But while I am happy to have honored Sonny in such a manner, I am not happy about the gamesmanship that accompanied its passage. The Republican leadership—at the behest of certain large restaurants who object to paying royalties to musical creators whose music is performed in their establishments—kidnapped term extension and used it as a hostage. To liberate the hostage, we were forced to pay a high ransom by attaching a second bill—misnamed "fairness in music licensing"—that deprives just compensation to songwriters and composers, particularly those who write as individuals and small businesses.

In my statement, I referred to the combined bill as a "compromise," so I want to clarify my use of that term. I used the word compromise not to indicate that the substance of the music licensing provision was arrived at through a fair negotiation between the restaurants and musical creators. Rather, I used the term compromise in a procedural sense, to merely indicate that something had happened to allow S. 505 to pass the Senate, to come to the House floor, and to be acceptable to a large number of legislators. I used the word "compromise" as "a consequence of majority decision making" to paraphrase a former House number, Abner Mikva.

I did not mean to imply that the parties who ultimately must pay the ransom—the hundreds of thousands of songwriters, composers, music publishers and the performing rights organizations, BMI, ASCAP and SESAC, that so ably represent their interests—were willing signatories to the compromise. To the contrary, they were the hostages. They will now pay the price. They are the victims of the legislation and it would be unfair to characterize them, as we often do to victims of crime, as willing participants.

If Sonny Bono had been here, he would have reminded us of these facts. His reminder