

The War Risk Insurance Program expires on December 31 of this year. Our borrowing authority proposal was opposed by the administration last year, so we worked with the administration and others in developing this alternative. H.R. 4058 would reauthorize the War Risk Insurance Program for 5 years until the year 2003. It also includes a provision that would allow an air carrier to be reimbursed almost immediately from its private insurance company should the Federal Government be unable to pay promptly because of some unforeseen circumstance or because the insurance fund had been depleted.

In short, if the Federal Government does not pay promptly, the airline can get the prompt payment from its private insurance company. The insurance company's prompt payment would then eventually be reimbursed by the Federal Government.

The War Risk Insurance Program is vitally important to this Nation and to our national defense. It was first authorized in 1951 and over the years has been improved upon during the reauthorization process.

The subcommittee held a hearing on this program in May of last year and has made great progress on this program.

The War Risk Insurance Program was used extensively during operations Desert Shield and Desert Storm to ensure aircraft carrier and troops and supplies to the Middle East. Without this program, the military would have had to buy more aircraft for this purpose, which would have cost taxpayers billions of dollars. Instead, commercial aircraft, with the protection of war risk insurance, were willing to take on these dangerous missions.

This is a good bill, Mr. Speaker, a needed bill, and I strongly urge its adoption.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BORSKI asked and was given permission to revise and extend his remarks.)

Mr. BORSKI. Mr. Speaker, I rise in strong support of H.R. 4058, a bill to extend and improve the War Risk Insurance Program. This is a little known but very important program. It ensures commercial airline flights to high risk areas, such as countries at war or on the verge of war, where commercial insurance companies will not provide insurance. These flights must be directed to supporting the foreign policy or national security of the United States.

Its largest, most recent use, was to support operation Desert Shield and Desert Storm, ferrying our troops and equipment to the Middle East.

The bill before us today extends this program into the year 2003. It also provides us with a solution to a problem left unresolved from last year. During one of the Subcommittee on Aviation's hearings last year, GAO identified that there was a need for air carriers purchasing premium insurance to have a

better guarantee that if they suffered a claim in excess of the amount in the aviation insurance fund they would be assured of complete and immediate reimbursement.

Without this guarantee, significant problems could be created, especially for a small airline where the loss of one aircraft could be devastating. The solution contained in this bill would address this issue by making it easier for an airline to obtain prompt payment insurance from a commercial insurance company. Such insurance would ensure that the airline could obtain reimbursement for its loss from the insurance company quickly, even if the FAA's insurance fund was insufficient and Congress failed to replenish it promptly. The commercial insurer could then recover the money it paid to the airline when money was appropriated to replenish the insurance fund.

I want to commend the gentleman from Tennessee, Chairman DUNCAN, and the gentleman from Illinois, Mr. LIPINSKI, the distinguished ranking member, for having the patience to find an acceptable bipartisan solution to this issue, and I strongly urge all Members of the House to support H.R. 4058 because of its importance to our Nation's foreign policy efforts.

Mr. Speaker, I yield back the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

I simply want to thank my good friend, the gentleman from Pennsylvania (Mr. BORSKI) for assisting us on this legislation, and I have no other speakers at this time so I simply urge support for this very important legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee (Mr. DUNCAN), that the House suspend the rules and pass the bill, H.R. 4058.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4058, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

□ 1515

EXPRESSING CONDOLENCES TO THE STATE AND PEOPLE OF FLORIDA FOR LOSSES SUFFERED AS A RESULT OF WILD LAND FIRES

Mrs. FOWLER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 298) expressing deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of fire fighters from across the Nation in battling the fires.

The Clerk read as follows:

H. CON. RES. 298

Whereas during June and July 1998, wild land fires destroyed approximately 500,000 acres of land in northeast and central Florida, having an aggregate value of more than \$276,000,000;

Whereas the fires have affected 67 counties in the State of Florida;

Whereas the President of the United States issued a major disaster declaration for the State of Florida;

Whereas the fires have damaged at least 367 homes and 33 businesses;

Whereas the fires have caused business closures and have aggravated drought conditions, which will have a long-term impact on the economy of the region;

Whereas the fires have caused injuries to at least 95 people, the majority of whom are firefighters;

Whereas approximately 7,000 firefighters from 46 States have braved extreme conditions to assist firefighters in Florida in fighting the fires;

Whereas many agencies of or established by the Federal Government, including the Federal Emergency Management Agency, the Forest Service, the Department of Defense, the Department of Transportation, AmeriCorps, the Small Business Administration, the General Services Administration, the National Guard, the American National Red Cross, and the Civil Air Patrol, have contributed vital support functions in response to the fires; and

Whereas many State and local government agencies have also contributed vital support functions in response to the fires: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) expresses deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998;

(2) expresses support to the State and people of Florida as they overcome the effects of the fires;

(3) commends the heroic efforts of firefighters from across the Nation in battling the fires; and

(4) commends the many agencies of or established by the Federal Government and the many State and local government agencies that have contributed vital support functions in response to the fires.

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the rule, the gentlewoman from Florida (Mrs. FOWLER) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Mrs. FOWLER).

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

I rise today as my State and district, and the Chair's State and district, are beginning a healing process following weeks of widespread wild land fires and months of drought conditions. Floridians have been dealing bravely with fires that have threatened their homes and property as well as their own health and safety.

Months of hot and dry weather encouraged fire to spread to every county in the State, with some of the worst fires in Flagler and Volusia Counties which I represent. The fires devoured nearly one-half million acres, bringing with them tremendous, searing heat.

Long after some of the most visible scars will be gone, the State will continue to feel the effects of the wildfires. Estimates are that it may take as many as 100 years for some of the burned acreage to return to normal. In a single word, it was a disaster.

My purpose in rising today is to urge the passage of this resolution thanking the thousands of fire fighters and emergency personnel from Florida and more than 40 other States who worked around the clock in the most dire of conditions to save the lives of Floridians. Many of those injured in the fires were fire fighters who had left their families and traveled long distances to lend a hand to their fellow fire fighters in Florida.

This resolution expresses condolences to Florida citizens for losses suffered as a result of the wildfires, a State-wide aggregate of \$276 million and rising. The recovery has just begun and many forms of assistance will continue to be available.

I want to thank the residents who helped their neighbors when entire counties were evacuated with very little advance warning. I was very heartened with the generosity from total strangers and businesses.

I especially would like to express gratitude to Bill and Betty Jane France, who own the Daytona Beach International Speedway. Set to have the first night race ever at the track, with more than 150,000 people to attend, the Frances and Speedway president John Graham decided to postpone the Pepsi 400 to protect the safety of the fans. Beyond that, they turned their racetrack into a staging area for the National Guard to respond to fires in the area, and provided temporary housing at the track for evacuees and fire fighters in the area, giving them bedding and meals at the track's expense.

Ernest Hemingway once said that, "Courage is grace under pressure." The conditions which residents, businesses and emergency personnel endured were more than just pressure, but courage is a good word to describe their individual heroism and their determination.

Mr. Speaker, I reserve the balance of my time.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BORSKI asked and was given permission to revise and extend his remarks.)

Mr. BORSKI. Mr. Speaker, I am pleased to join the gentlewoman from Florida (Mrs. FOWLER) in supporting this concurrent resolution.

We have all been moved by the pictures and stories of the devastation in Florida. While wildfires may be a natural occurrence, they are not natural to the lives of those who live and work in their path.

These first caused a great deal of suffering, property loss and damage to the Florida economy. Yet, the people of Florida fought back to protect themselves and their livelihoods. I want to commend my colleagues from Florida for their interest in the struggle of those involved, and it is most fitting that the Congress express its support to the State of Florida and its people.

In particular, Mr. Speaker, I want to commend my colleague the gentlewoman from Florida (Ms. BROWN), who introduced this resolution, and the gentlewoman from Florida (Mrs. FOWLER), who is managing this bill. The entire Florida delegation deserve our acknowledgment on behalf of their efforts for Florida and in bringing this resolution to the floor.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, I want to thank my colleagues and the great people they represent for supporting this resolution and the people of Florida.

The State of Florida has been experiencing a terrible destruction due to wild land fires and drought. This terrible natural disaster has created an incredible hardship on the residents, businesses, and disaster relief agencies and personnel in Florida.

My colleagues and I from the Florida delegation and the Task Force on Wildfires have introduced this House Concurrent Resolution to express our deepest condolences to the State and to the people of Florida who have experienced financial loss and emotional pain associated with the devastation of nearly a half million acres of land.

This resolution also expresses sincere gratitude to the fire fighters, including the 7,000 fire fighters who came from 46 States from around this country to help manage and put out these fires. Just recently, the Emergency Support Transportation staff are scheduling the return of equipment and personnel from North Dakota, Virginia, Maryland, North Carolina, and Louisiana. I thank all of these people who have traveled from these and other places for their tremendous courage and spirit of patriotism.

Mr. Speaker, in tragic situations like these it is wonderful to see the entire Nation mobilized in this way to help fellow Americans. This resolution also thanks the numerous Federal agencies,

including FEMA, the Department of Defense, National Guard, the Department of Transportation, AmeriCorps, and other agencies such as the Red Cross who helped in these endeavors.

The Department of Defense sent Marines from North Carolina and other support staff, and more than 1,500 Florida and Georgia Army National Guard troops were activated and deployed to support fire fighter operations. The Naval Air Station Jacksonville in my district was the base support for the Defense Coordinating Element provided by the Department of Defense.

The U.S. Forest Service sent more than 1,400 fire fighters as support crew to help in this effort. The Civil Air Patrol has flown more than 23 missions in support of the fire fighting effort. And the U.S. Army Corps of Engineers has provided 565,000 pounds of ice to the fire fighter crews.

Mr. Speaker, these are a few of the many examples of support and great deeds that occurred in fighting these fires. In the face of crises, this response was very effective and helped to get these fires under control. On behalf of the people of Florida, I thank all of these great people and institutions for their hard work.

Mr. BORSKI. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Mr. Speaker, I appreciate this, and I certainly appreciate my colleagues bringing this to the floor today. This is a really important issue for all of us from Florida.

I, too, would like to offer my deepest appreciation to all of the men and women who have left their families and who have risked their lives to fight these deadly blazes.

These disastrous fires have uprooted hundreds throughout Florida. For some of us who have visited the sites of the worst fire outbreaks, I can tell my colleagues it is absolutely heart-wrenching. These people, my neighbors, my constituents, never thought their lives would be affected by a fire. One hundred ninety-three people, many of whom are fire fighters have been injured. More than 337 homes have been destroyed and 33 businesses have been decimated.

I hasten to think about the damage and destruction that would have befallen Florida without the decisive action by these fire fighters. Throughout this ordeal, in an amazing expression of unity and compassion, 7,000 men and women from 46 States have shown the world what it really means to care about their neighbors. And believe me, all Floridians are appreciative.

When I was in Deland, Florida, a few weeks ago, I met with both the fire fighters and with members of the community they were defending. I wish I could share with my colleagues the images of not only the anguish of these events, but also the expressions of gratitude, the joy of knowing these men and women were defending their community against these blazes.

These brave fire fighters all over the country have risked everything, and I want to let them know that America appreciates their courage and their diligence.

For the Floridians whose homes and business have suffered irreparable damage, I want them to know their government will not forget about them. We will continue to provide as much support as needed. I am delighted Members of Congress have come together to set aside additional resources to combat future fires.

This week the House will consider the Interior appropriations bill. I am delighted the bill currently includes \$23.5 million for cooperative fire protection, \$2 million for volunteer fire assistance, and about \$21.5 million for State fire assistance.

Again, to the men and women who have come to fight these fires, I would like to thank them from the bottom of my heart. They have truly made a difference in the lives of our constituents.

Mr. BORSKI. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, again, I thank my colleagues and the great people they represent for supporting this resolution and the people of Florida.

We in Florida will rebuild what has been destroyed and continue to make our way in life. I think that times like this bring people together from all walks of life, and it shows what a wonderful spirit America has.

On behalf of the people of Florida, I thank America for their support.

Mrs. FOWLER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, I thank my colleague for yielding me this time, and I rise today also in support of H. Con. Res. 298, of which I am a cosponsor.

I think it is only fitting that we pass this resolution and recognize the damage inflicted upon our home State of Florida in the fires of the past 2 months. In doing so, of course, we also honor those who acted valiantly against terrible odds, terrible odds, to save lives and property.

The district I represent was also affected, although not as much as others. Thankfully, the damage was minimal. Many towns in my district served as a haven for the many thousands of evacuees who fled these fires.

Palatka and Ocala residents opened their doors to over 2,000 evacuees streaming in from nearby Flagler County and other fire-stricken areas. I am proud to represent this district with so many fine people residing there.

Across the State, thousands pitched in to assist the fire fighting effort. Private contractors volunteered machinery and manpower to fight the flames and, of course, transport water. Churches, schools, motels, businesses, all of them opened their doors to shel-

ter evacuees. Donations poured in to aid the victims and help the brave emergency workers and fire fighters.

Mr. Speaker, the outpouring of goodwill and assistance we received came from within our State, from the Federal Government and many other States, but even foreign countries also offered aid.

As we reflect on our ability to respond to natural disasters, we should be prepared for future fire outbreaks. As a member of the House Fire Services Caucus, I recognize a coordinated effort of all available resources is necessary to successfully battle these blazes.

On June 25th, 1998, I joined with fellow Members of the Caucus at a press conference highlighting our new task force and initiated actions on wild land fires. We contacted Defense Secretary William Cohen, requesting the cooperation and assistance of the Defense Department and, of course, the U.S. National Guard, to identify assets that can be used and made available for fire fighting purposes in the future.

This resolution commends the heroic efforts of all our fire fighters who came from across the Nation. In this resolution we also recognize how well local, State and Federal agencies and departments responded to this terrible tragedy.

□ 1530

Finally, Mr. Speaker, we express our sorrow that so many Floridians experienced so much loss. As Florida begins the long, long process of recovery, we can evaluate how we responded to these blazes. Hopefully, in the future, we can prevent such losses.

Mr. Speaker, let us pass this resolution today and let Floridians know that the Nation recognizes their heroism and sympathizes with their losses.

Mrs. FOWLER. Mr. Speaker, I would just like to note that all 23 members of the Florida delegation are cosponsors of this legislation and we are all deeply appreciative of all of the efforts that were given to the State of Florida.

Mrs. FOWLER. Mr. Speaker, I rise today as my State and district are beginning a healing process following weeks of widespread wildland fires and months of drought conditions. Floridians have been dealing bravely with fires that have threatened their homes and property as well as their own health and safety.

Months of hot and dry weather encouraged fire to spread to every county in the State with some of the worst fires in Flagler and Volusia counties which I represent. The fires devoured nearly one-half million acres, bringing with them tremendous, searing heat.

Long after some of the most visible scars will be gone, the State will continue to feel the effects of the wildfires. Estimates are that it may take as many as 100 years for some of the burned acreage to return to normal. In a single word, it was a disaster.

My purpose in rising today is to urge the passage of this resolution thanking the thousands of firefighters and emergency personnel from Florida, and more than 40 other States,

who worked around the clock in the most dire of conditions to save the lives of Floridians. Many of those injured in the fires were firefighters who had left their families and traveled long distances to lend a hand to their fellow firefighters in Florida.

The resolution expresses condolences to Florida citizens for losses suffered as a result of the wildfires—a statewide aggregate of \$276 million. The recovery has just begun and many forms of assistance will continue to be available.

I want to thank the residents who helped their neighbors when entire counties are evacuated with very little advance warning. I was very heartened with the generosity from total strangers and businesses.

Pfizer, Incorporated responded quickly to my request for a donation of eyedrops to help firefighters working in the thick smoke. Mr. Wayne Weaver, owner of the Jacksonville Jaguars, worked with NFL Charities and Commissioner Tagliabue to each donate \$100,000 to the American Red Cross's wildfire disaster relief efforts. Mr. Weaver is also working on an effort to have season ticket holders donate their tickets to either the Jaguars/Giants game or the Jaguars/Cowboys game to local firefighters and their families. The resolution we are considering today also gives due credit to the American Red Cross, which as always, was on the scene to lend comfort, supplies, and advice to the thousands of residents evacuated from their homes.

I would like to express gratitude to Bill and Betty Jane France who own the Daytona Beach International Speedway. Set to have the first night race ever at the track, with more than 150,000 people to attend, the Frances and Speedway President, John Graham, decided to postpone the Pepsi 400 to protect the safety of fans. Beyond that, they turned their racetrack into a staging area for the National Guard to respond to fires in the area and provided temporary housing at the track for evacuees and firefighters in the area, giving them bedding and meals at track's expense.

Ernest Hemingway once said that "courage is grace under pressure." The conditions which residents, businesses, and emergency personnel endured were more than just pressure, but courage is a good word to describe their individual heroism and their determination.

Mr. MICA. Mr. Speaker, I would like to take this opportunity to express my deepest thanks to all the firefighters who fought tirelessly for weeks against the recent wildfires in Florida.

This summer has been a trying time for the people of Florida. The citizens of my State have witnessed record high temperatures and a desert-like climate. A lack of rain over the past several months has caused the rural areas of Florida to become so dry that they are ignited into blazing infernos with the slightest hint of flame.

The country watched on television and read in the newspapers for weeks how my State burned at the mercy of these devastating fires. Seminole and Volusia Counties, two of the counties in my District, were hit hard. Businesses were lost, homes were destroyed, and natural areas annihilated.

But the destruction in my District was no different than the destruction throughout the rest of the State. Florida cried out with a plea of "Please help."

And people from across this Nation called out resoundingly—"We're on our way".

And they came. They came from Georgia and Alaska. They came from North Carolina and Alabama. They came from 47 States in the Union. Out of the devastation of these fires came the tremendous courage and help of thousands of Americans who worked valiantly throughout this tragedy.

In total approximately 7,000 firefighters risked their own lives to save the lives and homes of the people of Florida. Fortunately out of 170 injuries that these firefighters suffered only one was serious.

Greg Born, from Alabama, suffered the worst injuries of the firefighting effort. While in the field he was struck by a falling tree. The weight of the tree broke his arm and fractured his neck. He is still in a cast and neck brace.

To Greg and all the other brave souls that fought the wildfires in Florida I say thank you, and if your States are ever in need you can call on us. We'll be there.

To the citizens of my district who opened their homes, their helping hands, and their hearts I say "thank you"!

Ms. JACKSON-LEE of Texas. I rise today to offer my most heartfelt sympathy to the victims of the fires that are ravaging parts of Florida. Recent comments by the director of emergency management services for Brevard county seem to say it all: "This is a war."

He sounded like a soldier whose position was about to be overrun by enemy forces. "We've got fronts on the north and the south."

The destruction has already climbed into the millions. The fires have destroyed, for example, more than \$190 million of commercial timber. Drought conditions have caused more than \$135 million in damage to crops like corn, cotton, and peanuts.

Many houses and private property have been destroyed, and thousands of people have been displaced, or forced to temporarily relocate to avoid the wildfires. Recently, about 40,000 residents of northeast Florida were forced to flee in the wake of wind-swept embers as brushfires consumed—or threatened to consume—many rural areas.

In early July alone, Volusia and Brevard counties have been experiencing the worst of about 1,600 fires of varying sizes and degrees of containment that raged around the State. And, just like my home State of Texas, with no rain or lower temperatures in sight, state officials said the situation may worsen before it gets better.

Thus, in the past month, the State of Florida has suffered from an onslaught of drought and wild fires, leading to the destruction of 500,000 acres of land, 367 homes and 33 businesses, and the injury of 95 people, the majority of whom are firefighters.

H. Con. Res. 298 expresses Congress' deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July; and it expresses congressional support to the State and people of Florida as they overcome the effects of the fires.

This measure also commends the heroic efforts of firefighters from across the Nation who have traveled to Florida to battle the fires, and commends the many government agencies who have also lent their support. It is a good piece of legislation that deserves to be supported.

Mr. Speaker I urge my colleagues to adopt H. Con. Res. 298.

Mrs. FOWLER. Mr. Speaker, I have no further speakers at this time, and I

would just strongly support the passage of this resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. BORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BE-REUTER). The question is on the motion offered by the gentlewoman from Florida (Mrs. FOWLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 298.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. FOWLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 298, expressing condolences to Florida.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

RELATING TO THE IMPORTANCE OF JAPANESE AMERICAN RELATIONS

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 392) relating to the importance of Japanese-American relations and the urgent need for Japan to more effectively address its economic and financial problems and open its markets by eliminating informal barriers to trade and investment, thereby making a more effective contribution to leading the Asian region out of its current financial crisis, insuring against a global recession, and reinforcing regional stability and security, as amended.

The Clerk read as follows:

H. RES. 392

Whereas the maintenance and improvement of a very positive international relationship between the United States and Japan is vital to the two countries and to the entire global economic and trading system;

Whereas the United States-Japan Security Alliance and close economic cooperation have underpinned the security, stability, and prosperity of the Asia-Pacific region, thereby allowing that region to enjoy unmatched economic growth and development for nearly three decades;

Whereas the current financial crisis in Asia threatens the foundation of Asia's unmatched peace and prosperity, the stability of the global economic system, and related vital American security and economic interests;

Whereas, although the Government of Japan's \$128,000,000,000 economic stimulus and tax reduction package of April 24, 1998, includes numerous provisions designed to promote consumer spending and industrial growth, it is by no means clear that these measures will restore economic growth or will be targeted at the most productive sectors of the economy;

Whereas Japan's generous contributions to second line credits for the three International

Monetary Fund program countries, South Korea, Thailand, and Indonesia, totaling \$19,000,000,000, and its substantial structural adjustment loans and export credits to Indonesia, have helped contain the financial crisis, but are an inadequate alternative to a strong Japanese economy;

Whereas Japan accounts for three-fourths of the total East Asian Gross Domestic Product and therefore has the potential to help pull the region out of the financial crisis by serving as its "engine of growth", just as the United States, by being an "engine of growth" and having open markets, earlier assisted Mexico emerge from a substantial financial crisis;

Whereas a further weakening of the yen could trigger a round of competitive devaluations among Japan's Asian neighbors;

Whereas deteriorating economic conditions and ongoing financial market turbulence in Asia make it increasingly important that Japan play a leadership role in helping to restore confidence in the economic future of the region;

Whereas that regional leadership role coincides with Japan's stated goal of promoting strong domestic demand-led growth and avoiding a significant increase in its external trade surplus;

Whereas Japan's continued economic stagnation depresses the level of its imports from the United States and other countries in the Asia-Pacific region, thereby forcing its neighbors in the region to rely more heavily on their exports to the United States for growth;

Whereas weakened economic fundamentals in Japan and an accommodative monetary policy, coupled with a robust United States economy, have weakened the value of the Japanese yen against the United States dollar and therefore stimulated a rapid expansion of exports and a fast-growing merchandise trade surplus with the United States, which increased from \$48,000,000,000 in 1996 to \$55,000,000,000 in 1997;

Whereas the bursting of Japan's investment bubble in 1991 has been accompanied by protracted asset-price and balance sheet adjustments by Japanese financial institutions, leading to a scarcity of credit and weak growth;

Whereas policies favoring low interest rates had encouraged, until recently, excessive private sector lending to overly indebted enterprises in Indonesia, Korea, and Thailand, and thereby contributed to the private debt crisis in the region;

Whereas past efforts to stimulate recovery through deficit spending targeted at the construction sector have proved inadequate and failed to accomplish their desired objectives;

Whereas inadequate deregulation initiatives have failed to restore vitality to the Japanese economy, while truly significant deregulation could add as much as a percentage point or more to Japanese economic growth; and

Whereas the continued failure of the Government of Japan to properly recognize and remedy the aforementioned policies will both prolong the Asian financial crisis and contribute to the inevitable rise in the American trade deficit with Japan, thereby potentially undermining American domestic support for close economic, political, and security cooperation and coordination between the United States and Japan at a critical point in history: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that Japan should urgently undertake the following steps to enhance alliance cooperation and raise Japan to the position of regional partnership that it should enjoy by virtue of its economic size, technological achievements and its democratic political system:

(1) Undertake a broader and faster deregulation of its economy, in order to improve long-term growth prospects and promote opportunities for foreign firms, improve transparency and disclosure, reward innovation and competition, and reduce systemic risk.

(2) Further open its distribution system to eliminate exclusionary and discriminatory business practices that are not only limiting imports