

amendment should and would mean to each of us—"The liberty of speaking and writing guards our other liberties." And again in 1828, he said, "The force of public opinion cannot be resisted when permitted to freely be expressed. The agitation it produces must be submitted to." This is why any campaign finance reform should be reform that preserves the right of free speech and which allows all Americans to voice their opinion.●

INTERNATIONAL MONETARY FUND

● Mrs. BOXER. Mr. President, a little more than a year ago serious financial problems began to arise in Thailand. What began in Thailand, however, quickly spread to other Asian financial markets like Indonesia, South Korea, and even Hong Kong and Japan. In recent months, we have seen this financial crisis creep into other economies around the world, most notably, perhaps, Russia and Brazil. This crisis is not just about Asia, Russia or Latin America, however; it's about the U.S. as well.

In today's increasingly intertwined global economy, the U.S. has an important national interest in working to stabilize the economies of its trading partners around the world. It is the U.S. that ultimately stands to lose if other economies fail—economies that are markets for our products. Reductions in Asian purchasing power or Latin American purchasing power mean lower profits for U.S. companies operating in those markets and fewer high-paying jobs in U.S. export industries.

East Asian nations, for example, are important trading partners for the U.S. U.S. exports to East Asia accounted for 28 percent of all American merchandise exports in 1996. This number far exceeds the 9.2 percent of exports that went to Mexico, and even the 21.4 percent that went to Canada.

Brazil, Latin America's largest economy, is also an important market for the U.S. Brazil is the U.S.' 11th-largest export market with \$16 billion in sales last year. Moreover, and perhaps more important, Brazil is one of the few major trading partners with whom the U.S. has a positive balance of trade. U.S. companies' exports to Brazil grew 25% last year and are now roughly five times the value of Russia's before Russia's crash.

I want to elaborate a little on the importance of the stability of the Brazilian economy to the U.S. And in doing, I think it is important to remember that the U.S. is not an economic island unto itself. We are truly part of an interdependent global economy.

Capital flows freely, without regard to geographical boundaries and to places we couldn't have imagined even 5 or 10 years ago. One of the places where a substantial amount of that capital has been flowing over the past 5 years or so is Brazil. In fact, U.S. in-

vestments in Brazil now exceed the U.S. investments in Mexico.

Largely as a result of the reforms adopted during the administration of President Fernando Henrique Cardoso, Brazil has emerged from its so-called "Lost Decade" of the eighties. During that decade, Brazil's economy languished in inflation and stagnation. That inflation and stagnation continued into the mid-nineties, and reached as high as 2,700 percent in 1994.

Since then, however, key infrastructure industries such as energy, telecommunications, and ports have begun modernizing and expanding. Moreover, state monopolies in oil, electricity, and telecommunications have ended, and many businesses have now been privatized. Such privatization can only mean good things for U.S. companies seeking to expand their markets.

As the Brazilian Finance Minister in 1993 and 1994, Mr. Cardoso, along with other liberal economists, developed the "Real Plan." This plan opened Brazil to foreign investment and pegged the Real—the Brazilian currency—to the U.S. dollar. This plan has been credited with lowering inflation from its high in 1994 to single digits this year.

Yet, since mid-August, the economic debacles in Asia and Russia have pushed Brazil to the precipice of economic and financial collapse. The stakes for America and Americans are considerable. If the Brazilian economy fails, the financial crisis now gripping large parts of the rest of the world will be on America's doorstep.

The huge Brazilian economy, the ninth largest in the world, is the backbone of Latin America. Economists warn that if Brazil's economy collapses, the economies of Argentina, Chile, and the rest of Latin America will be in serious peril.

Almost twenty percent of our exports are purchased by Latin America and it is host to an increasing number of American-owned factories whose sales and profits are important contributors to the balance sheets of corporate America. A sharp reduction in the flow of this income, combined with the sharp reductions which have already occurred in Asia, would seriously imperil economic growth here in the U.S. As an economist at Salomon Smith Barney stated, "there is just no way we can allow Brazil to fail."

The economic crises in Asia, Brazil and other parts of the world, are potentially particularly problematic for my home state of California. California is the world's seventh largest economy, it has a gross state product of more than \$1 trillion, and is by far the nation's largest state market. It exports more than any other state in the country; and thus, not surprisingly sensitive to the financial crises faced by our trading partners.

The Asian financial crisis is illustrative of this point. Because of California's geographical proximity to Asia, and what had been Asia's rapidly expanding economies, a growing num-

ber of California's exports were, and are, going to Asia.

Of California's top 10 export markets, 6 are Asian. Moreover, forty-four percent of all California exports are to Asia and approximately 725,000 California jobs are supported by exports to Asia. During the first quarter of 1998, however, California's exports to Japan decreased by 12 percent, exports to Singapore decreased by 14 percent, to Indonesia by almost 25 percent, and to South Korea by 40 percent.

Although Brazil ranked 17th among California's export markets in 1997, Brazil's financial troubles do present added risks to California's ability to export goods and services. California's high technology companies have reportedly been building a presence in Brazil and a consumer class has emerged. Moreover, California's trade officials, and many California exporters, have said they had begun to look to the Latin American markets to offset the slowdown in Asia and help keep the state's exports growing—exports which are so vital to the California economy.

Given this global economic interdependence, the question is—what can we, as legislators, do to help, aid, or assist in getting these distressed economies back on track?

While there are some things we cannot do, like dictate or direct that countries follow economic practices and policies set forth by the U.S., there are things we can do. One of the things we can do, and I believe we must do, is provide technical and financial assistance to economically distressed countries through our participation in the International Monetary Fund—the IMF.

Last September, while the Asian financial crisis was still unfolding, the IMF Executive Board agreed on quota increases for its members. The request for U.S. commitments to the IMF consists of: (1) \$14.5 billion for our share of the increase in normal quota resources, and (2) \$3.5 billion for U.S. participation in the New Arrangements to Borrow, an addition to the Fund's emergency credit lines for use in systemic financial crises.

In late March, the Senate, with strong bi-partisan support, voted to include the Administration's full IMF funding request, of approximately \$18 billion, in its 1998 supplemental appropriations bill. The House, however, refused to include this funding in its supplemental appropriations bill.

Although the House did agree to provide the IMF \$3.4 billion in funding on September 17, that amount is far short of the \$18 billion requested by the Administration, approved by the Senate and needed to help curb the economic crisis which threatens several regions around the globe. The House and Senate are now debating this important issue, and I support and encourage Chairman Stevens' steadfast insistence that the House recede to the Senate on the issue of full IMF funding.

The IMF is the world's largest lender of last resort and is designed to foster trade and economic growth by helping maintain stability in the international monetary system. Countries join the Fund by agreeing to a capital subscription and abiding by rules set up in the Articles of Agreement.

The 182 member countries may borrow money from the IMF to finance short-term balance of payment deficits and to help manage more serious longer-term financial imbalances. In return, borrowing countries must adopt economic policies negotiated with IMF economists, and approved by the Executive Board, designed to ensure the underlying problems which caused the crisis are corrected.

These policies, or conditions, are market-oriented measures that vary depending on the situation, but often focus on reducing government spending, implementing banking and financial industry reforms, and taking often painful steps to control inflation. IMF loans to its members are repaid with interest. Although, the IMF has had to restructure some of the outstanding loan balances of the poorest countries, no country has ever defaulted on its IMF loan.

It is important to note that in addition to U.S. economic interests, U.S. national security interests are also at risk as a result of the Asian economic crisis, as well as the economic crises in Russia and in other parts of the world. Many of the countries affected by the crisis are key strategic allies.

The U.S. has 100,000 troops based in Asia, 37,000 on the Korean Peninsula alone. History has shown that economic distress and financial instability can threaten political stability and security.

Mr. President, in closing I want to note my agreement with many of my colleagues who believe the IMF needs to make some reforms. I do not disagree. Chairman Greenspan said during his September 16 testimony before the House Banking Committee, "I think that the IMF requires a fundamental review in all of its aspects, but not now, we need the structure of the IMF and its funding procedures and its conditionality, because that's all we've got."

I hope the House of Representatives will heed the words of Chairman Greenspan, and agree, as the Senate has already done, that it is in our national economic interest and our national security interest to provide full funding to the IMF.●

RECOGNIZING "CHARACTER COUNTS!"

● Mr. ABRAHAM. Mr. President, I rise today to recognize a very important organization in the state of Michigan. The CHARACTER COUNTS!™ coalition, a national grassroots organization which promotes character education with a program utilizing six components: respect, responsibility,

fairness, caring, citizenship and trustworthiness.

Across the country, individuals, organizations, and entire communities are coming together on a united front dedicated to enforcing a set of ethical values which are the very foundation of a free, democratic society. My colleagues and I truly appreciate their dedication to educate and improve the character of our nation's youth.

As the Honorary Chairman for CHARACTER COUNTS!™ in Michigan and in light of National CHARACTER COUNTS!™ week, I extend my best wishes to Pat Malijewski the CHARACTER COUNTS!™ in Michigan Project Coordinator and everyone involved in making CHARACTER COUNTS!™ a tremendous success in Michigan and across this great country.●

TRIBUTE TO CARL YOUNGBLOM

● Mr. WELLSTONE. Mr. President, I rise today to pay tribute to Carl Youngblom, a great American from my state, who unexpectedly passed away earlier this year.

Carl proudly served his nation as a Korean War veteran. He proudly served his community as former president of the St. Peter Rotary International. And he proudly served disabled veterans as a past Minnesota Department Commander of the Disabled American Veterans (DAV).

In fact, I got to know Carl after he was elected DAV Department Commander in 1995. I can tell you from personal experience that he was a staunch advocate for disabled veterans and their families, often urging us in Congress to do well for our veterans, and I deeply respected him for that. According to his wife Val, he became such a strong veterans advocate out of love for his older brother, whose life was changed from being wounded in combat during World War II.

Carl also had a strong connection to agriculture, starting as a family farmer and then moving to a career in agriculture finance. He was a fine athlete who loved to swim, cross country ski, and run. But perhaps most impressive was how his kindness touched people and how his compassion helped build consensus during times of conflict. We will miss him dearly.

Mr. President, I conclude by asking my colleagues to join me in expressing to his loving wife Val and their children and grandchildren our nation's eternal gratitude for Carl Youngblom's significant and myriad contributions.●

CLARIFICATION OF VOTE—AMENDMENT NO. 3719, AS AMENDED, AS MODIFIED

● Mr. THOMAS. Mr. President, on Rollcall vote No. 306, I inadvertently voted aye when I meant to vote no. I wish to clarify in the RECORD my opposition to the motion to table the McCain amendment number 3719 (as amended and modified).●

WORLD FOOD DAY AND THE UN WORLD FOOD PROGRAMME

● Mr. DURBIN. Mr. President, I rise today to call attention to the celebration of World Food Day on October 16th. I also rise to recognize the many successes achieved by the UN World Food Programme (WFP), the world's largest international food aid organization, over the past 18 years.

The WFP provides humanitarian relief to the world's poorest and most downtrodden people by distributing food to those individuals who are the most vulnerable to malnutrition and famine, particularly women and children. Last year alone, the WFP fed over 52.9 million people, by transporting food to needy and malnourished families in 84 countries. The WFP also provides much needed assistance to the tens of millions of victims world-wide who have suffered through natural disasters, such as earthquakes, severe floods and drought. Moreover, the WFP has committed itself to ensuring peace and stability around the world by providing food to people in war-torn countries like Sudan and Rwanda. Finally, the WFP uses donated food for development activities such as paying individuals that replant forests in Ethiopia and providing nourishment to workers repairing dikes in Vietnam. These activities help developing countries build strong infrastructures and promote economic stability.

With nowhere else to turn, the poorest of the world's poor have been able to find solace in the hard work and dedication of the WFP's many volunteers and employees.

American citizens have a particular reason to be proud on World Food Day. The United States has committed itself to be a world leader in the global battle against hunger. The U.S. was a primary founder of the WFP and has consistently been the world's single largest donor of food to the world's poor.

As World Food Day is celebrated this year, we can applaud the progress the U.N. World Food Programme has achieved and the compassion that has been shown. We all must be reminded, however, that substantial work remains to be undertaken and completed. In recognition of this special day, I ask that we all carry with us the vision of a new day when abundant food is available to each and every human being and that we renew our collective commitment to achieve that vision.●

REINVESTMENT AND ENVIRONMENTAL RESTORATION ACT OF 1998

● Mr. CHAFEE. Mr. President, I would like to commend my colleague from Louisiana, Senator LANDRIEU, for her herculean efforts in developing this legislation. She has worked tirelessly with other Senators, the House, and numerous stakeholders, including industry groups and environmental groups alike. The bill she introduces