

Mr. STEVENS. Will the Senator withhold that request?

Mr. BUMPERS. Yes.

Mr. STEVENS. There is some question as to amendment 2100, Madam President. It is the IMF amendment. It is Senator MCCONNELL's amendment, which now has been amended by two amendments which were adopted this morning. No further amendments are in order. But I was informed that some Senators do wish to speak on the McConnell amendment before it is voted on. And it will be voted on at 11:45.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Madam President, I announce that Senator GRAHAM will not offer his amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Madam President, I ask unanimous consent that I be permitted to speak for 2 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JONESBORO SHOOTINGS

Mr. BUMPERS. Madam President, I simply want to call to the body's attention—indeed, to the American people's attention—an editorial in the Washington Post this morning called "Trigger Happy."

As you know, my home State is Arkansas, and we have just experienced one of the gravest tragedies in the history of our State. People all over the State—not just those in Jonesboro—are grieving over the loss of four children 11 years old, and one 32-year-old pregnant schoolteacher, a catastrophic happening that no one can even begin to explain.

But the Post this morning certainly points out one of the serious problems facing this country, and one with which we have never even come close to coming to grips with, and I don't in the foreseeable future see us coming to grips with it. But here it is: In 1992, handguns killed 33 people in Great Britain; 36 in Sweden; 97 in Switzerland; 60 in Japan; 13 in Australia; 128 in Canada; and, 13,200 in the United States.

There was a study completed by the Violence Policy Center. And as the Post points out—they can't put it all in here. But listen to this:

For every case in which an individual used a firearm kept in the home in a self-defense homicide, there were 1.3 unintentional deaths, 4.6 criminal homicides, and 26 suicides involving firearms.

The overall firearm-related death rate among U.S. children aged less than 15 was nearly 12 times higher than among children in the other 25 industrialized countries combined.

From 1968 to 1991, motor-vehicle-related deaths declined by 21 percent, while firearm-related deaths increased by 60 percent. It is estimated that by the year 2003, firearm-related deaths will surpass deaths from motor-vehicle-related injuries. In 1991 this was already the case in seven States.

Madam President, those figures are so shocking to me. I have studied this issue for some time and have lamented the increasing violence from the Postal Service. And now it seems that it is becoming endemic in the schoolyards in America.

When in the name of God is this country going to wake up to what is going on in the country and the easy accessibility to guns?

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2100

Mr. STEVENS. Madam President, there are now 20 minutes left for further debate.

I ask unanimous consent that time be divided between the majority and minority.

Does the Senator wish any time?

Mr. HAGEL. Two minutes.

Mr. STEVENS. I yield on the majority side 2 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAGEL. Madam President, I rise with about 20 minutes remaining before the vote on the IMF package.

I wish to first thank the distinguished chairman of the Senate Appropriations Committee, Senator STEVENS, for his leadership in this area. This is a tough issue. It is an important issue. It is an issue that has come to the floor with much heated debate and exchange. But I wish in just a minute to try to put some perspective on what we are doing here.

First, our economy is connected to all economies of the world. When Asian markets go down and currencies are devalued, that means very simply that we in the United States cannot sell our

products in Asia. Asia has represented over the last few years the most important new export opportunity for all of the United States—not just commodities and agriculture, but all exports. What we are doing today is connected to all parts of the world. We understand something very fundamental about markets and that is that markets respond to confidence. We in the United States—because it is, in fact, in our best interests to participate and lead, not to bail people out, not the IMF bailing anybody out, but what we are doing through a very deliberate businesslike approach, an approach through the IMF established 50 years ago—are participating in a loan process where this country has never lost \$1. We ourselves have used this.

So today all those colleagues of mine who have been so helpful, so involved, I wish to thank and wish also, in these final minutes, to encourage all my colleagues to take a look at this, understand the perspective, ramifications, the consequences, and the importance of what we are doing here with this IMF support.

Madam President, I yield the floor.

Mr. LEAHY. Madam President, we are about to complete action on the supplemental appropriation for the International Monetary Fund. I want to thank the chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, and Senator HAGEL, who have worked hard to reach agreement on compromise IMF language that the Treasury Department can support.

The amendment we are about to vote on provides the full amount requested by the President for the IMF, including \$3.4 billion for the New Arrangements to Borrow, and \$14.5 billion for the quota increase. None of this money costs the U.S. Treasury. It is repaid with interest. In the event of a default, it is backed up by IMF gold reserves.

This amendment is not perfect. Few are. It does not directly address certain issues I am concerned about, including workers' rights, military spending, and the environment. Neither the IMF nor the Treasury Department have worked aggressively enough to ensure that IMF loans do not promote exploitation of workers, subsidize excessive military spending, or result in environmental harm. I would have strongly preferred conditional language on those issues similar to the economic and trade conditions that are in the bill. However, that was explicitly rejected by the Republican side. I am encouraged, however, that language on these issues is included in the House bill, and will be discussed in the conference. I also want to credit Senator WELLSTONE, whose amendment addresses these concerns.

I should also mention that the McConnell-Hagel amendment does require further progress on information disclosure by the IMF, an area that I have worked on for many years as it relates to all the international financial institutions. The World Bank has

made considerable progress on this, but the IMF has lagged behind. In some instances there are legitimate reasons for protecting the confidentiality of IMF documents. But the presumption should favor disclosure. Secretary Rubin has indicated that he intends to press the IMF harder to expand public access to IMF documents. That should be a priority, because that is how we will ultimately deal most effectively with the other types of concerns I have mentioned. A process that is open to public scrutiny tends to result in better decisions.

Mr. President, the IMF has a reputation for being an arrogant, secretive organization that has too often bailed out corrupt governments. There is some truth to that. But I am also convinced that as the world's leading economic power the United States has a multitude of interests in a strong IMF. Millions of American jobs depend on exports. The IMF plays an important role in limiting the adverse impact of major financial crises. This amendment, for the first time that I am aware of, seeks to address some of the concerns that the IMF has been too eager to bail out corrupt governments, or governments whose trade policies have discriminated against American companies. Given the difficulty the Treasury Department encountered in getting this IMF funding passed in a form that Treasury could accept, it is clear that unless the IMF follows through on the reforms the Congress is insisting on US support for the IMF will soon evaporate.

Finally, I want to mention one other issue that has concerned me for some time, and which has also been a problem at the World Bank and the other international financial institutions. That is the lack of significant numbers of women in IMF managerial positions, and the lack of adequate grievance procedures to effectively respond to cases of harassment, retaliation, and gender discrimination. The IMF is particularly at fault in these areas. The statistics show that women have been systematically denied advancement at the IMF. The grievance process, while perhaps measuring up to a standard of years gone by, today fails to afford the due process that is necessary to deter abuse of power, particularly at an institution that is immune from the court system. This is an urgent problem which affects morale and the quality of IMF operations, and should be treated as a priority by IMF management as well as the Treasury Department. The Appropriations Committee first called attention to the problem of gender discrimination at the IMF in 1992, and there has been far too little progress since then.

Having said that, I will support this compromise and want to again thank Chairman MCCONNELL and Senator HAGEL for the considerable time and effort they gave to finding an agreement that a majority of senators could accept.

Madam President, the IMF funding has been attached to S. 1768, the Bosnia, Iraq and Domestic Disaster Relief supplemental bill, because a majority of senators believe, as Senator STEVENS, the Chairman of the Appropriations Committee has urged, that the IMF funding should be sent to the President on whichever supplemental bill the Congress completes action on first. We have agreed that if the House sends us a separate IMF supplemental bill we can choose to go to conference on that. But there is no requirement that we do so. Our primary concern is that the Congress complete action on the IMF as soon as possible and send it to the President for signature.

Mr. ABRAHAM. Madam President, I rise to discuss the recent vote the Senate conducted on the provision of U.S. funding to the International Monetary Fund. With that vote, this chamber approved the appropriation of over \$18 billion with a single vote. Given the size of this appropriation, I believe it is critical to spell out exactly why Senators voted as they did.

I opposed this amendment for several reasons. First and foremost, the IMF has a very poor track record in its promotion of economic growth. According to Johns Hopkins University economist Steve Hanke, Few nations graduate from IMF emergency loans. Most stay on the IMF dole for years on end." Indeed, one study of IMF lending practices in 137 mostly developing countries from 1965 to 1995 found less than one-third have graduated from IMF loan programs. In fact, the IMF often encourages loan recipient nations to implement policies that further reduce economic growth. These policy recommendations have included raising tax rates, devaluing currencies, delaying regulatory reforms, and a host of additional austerity measures that compound nations' economic distress. Unless the IMF changes these counterproductive policies, I see no reason to put more American taxpayer dollars at risk.

Second, this IMF bailout for Asia is entirely unprecedented. All previous IMF bailouts, including that of Mexico, have been of the governments and central banks to stabilize their macroeconomic conditions. This bailout, in contrast, is a microeconomic bailout to restore the solvency of clearly insolvent financial institutions. Furthermore, the next largest bailout the IMF ever conducted was of Mexico at \$17 billion. The Indonesian bailout package currently being negotiated tops \$30 billion, while the Korean package comes in at over \$57 billion.

Third, the IMF bailout is simply not needed. The Asian financial crisis is essentially over. As usual, markets have responded more quickly than any government. The fact of the matter is, the South Koreans had a current account surplus last year, and will continue to do so for the foreseeable future. Investors are starting to differentiate among Asian countries for degree of

risk, and stock prices are rising, in Korea by over 30%. Further, the potential impact of the Asian economic situation on U.S. economic growth must be put in perspective: the 5 most afflicted Asian nations—Korea, Indonesia, Malaysia, Thailand, and Singapore—account for only 8 percent of U.S. exports and imports.

And it is clearly not the case that the IMF will go bankrupt without these replenishment funds from the American taxpayer. The IMF has plenty of funds to cover these loans and many to come. Even after the distribution of the current bailout packages, the IMF will hold \$30 billion in gold reserves, and have access to \$25 billion in unused General Agreement to Borrow credits. By providing these replenishment funds, we are simply empowering the IMF to impose its counterproductive economic policies on yet more desperate countries.

Fourth, this bailout will be counterproductive because it will perpetuate a "moral hazard" problem within the banking industry, a problem it will take years to overcome. Without doubt, this bailout package is being pushed in order to restore confidence in the Asian banking system (and the bad loans made by Western banks at unsound rates), a system that probably shouldn't be restored in the first place because of its inherent flaws—flaws that the IMF bailout does not address at all.

The provision of these funds will therefore perpetuate and intensify the moral hazard for private banking started by the Mexican bailout. Arguing that the Mexicans repaid their debt misses the point—if credit card companies and finance houses had been forced to eat their losses in Mexico, they would have exercised better elementary judgment regarding the over-investment policies of Asia that led to this crisis.

The IMF is essentially a huge bureaucracy populated by the last remaining socialists in the world. The reforms to IMF lending practices that are needed to address economic problems in Asia and elsewhere would require the IMF to support economic policies that are anathema to its Directors and to its fundamental philosophy—cutting tax rates, promoting sound monetary policies, cutting government regulation, allowing banks and firms to fail, and requiring private investors to eat their losses. Unless we reform the IMF as we know it, increasing funds to IMF will do little to help the distressed economies of the world.

Mr. STEVENS. Madam President, I state to the Senators there is 10 minutes available on their side. As far as I know they can allocate it as they wish.

Mr. ROBB. Madam President, I request about 2 minutes from the time allocated to the minority side to talk about an amendment pending that I hope to have cleared in just a few moments.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, a couple of days ago I introduced formally the Agriculture Credit Restoration Act of 1998. This has now been presented in the form of an amendment to the emergency supplemental, amendment 2135. The purpose is very simple. In the 1996 farm bill a provision was added in conference that was not considered by the full Senate or by the House but was added in the conference that, in effect, precluded anybody who had a write-down or loan forgiveness from ever being eligible for a loan that was made available by the U.S. Department of Agriculture.

The U.S. Department of Agriculture is the lender of last resort. They don't lend under any circumstances where at least three private lenders have not already denied credit and they do not lend to noncreditworthy applicants. In this particular bill we have \$48 million that is set aside to increase the direct operating loan fund, which is presumably being made available to those who are most in need. But the provision that is currently in the law that this particular amendment would change precludes anyone who has had a write-down or had credit forgiveness or whatever the case may be.

In a number of instances, that occurred precisely because the U.S. Department of Agriculture discriminated against those individuals. So it is a Catch-22. The Agriculture Department acknowledges that there was past discrimination. The current Secretary of Agriculture has acknowledged this. They are very much supportive of this bill—this amendment. It would, in effect, correct the inequity of precluding those who, by virtue of a natural disaster, a major family illness, or discrimination, from being eligible—not necessarily getting a loan but simply being eligible—for a loan of last resort under the Direct Operating Loan Fund.

It has created problems for many of those who had previously sought loans when they thought the money was available. We put money in last year, and most of the people who then sought the money ran into this particular roadblock. It has been approved by all Senators on the majority side, and only one Senator has yet to see the particular legislation. I hope to have that approval very shortly.

But I wanted to explain that this does not create any requirement that the U.S. Department of Agriculture grant credit to any noncreditworthy applicant. Indeed, they have to have already attempted to get credit from three private insurers. But it does correct the inequity where they were previously denied credit because of specific discrimination. We certainly do not want to be perpetuating that.

With that, Madam President, I will await the affirmation that it has been cleared on both sides. I thank the chairman of the full committee for his time. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 2100

Mr. WELLSTONE. Madam President, I quote from Joseph Stiglitz, World Bank chief economist and senior vice president, in which he called for an end to 'misguided policies imposed from Washington.'

The World Bank senior vice president and chief economist is scathing in what he calls the "Washington Consensus" of U.S. economic officials, the International Monetary Fund and the World Bank.

He talks about a Washington consensus that seeks to increase measured GDP, whereas we should seek increases of living standards, including improved health and education.

We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.

That is what he proposes as an alternative to the Washington consensus.

I ask unanimous consent to have this piece, "World Bank Chief Economist Stiglitz: IMF Policies Are Fundamentally Wrong," printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Debt Update, March 1998]

WORLD BANK CHIEF ECONOMIST STIGLITZ: IMF POLICIES ARE FUNDAMENTALLY WRONG
BANK ADMITS HIPC CONDITIONS WRONG

'Greater humility' is needed, admitted the World Bank's chief economist and senior vice president Joseph Stiglitz, in a speech in which he called for an end to 'misguided' policies imposed from Washington.

Joseph Stiglitz's wide-ranging condemnation of the 'Washington Consensus' and the conditions imposed on poor countries must raise fundamental questions about the entire debt relief process now being coordinated by the IMF and World Bank. Debt relief under the HIPC (Heavily Indebted Poor Countries) initiative is conditional on six years of faithfully obeying demands from the Fund and Bank which Stiglitz now calls 'misguided'.

The World Bank's senior vice president and chief economist is scathing about what he calls the "Washington Consensus" of U.S. economic officials, the International Monetary Fund (IMF), and the World Bank. He says that 'the set of policies which underlay the Washington Consensus are neither necessary nor sufficient, either for macro-stability or longer-term development.' They are 'sometimes misguided', 'neglect . . . fundamental issues', are 'sometimes even misleading, and do 'not even address . . . vital questions'.

'Had this advice been followed [in the United States], the remarkable expansion of the U.S. economy . . . would have been thwarted.' Russia followed the Washington Consensus line while China did not, Stiglitz notes, and 'real incomes and consumption have fallen in the former Soviet empire, and real incomes and consumption have risen remarkably rapidly in China.'

The Washington Consensus only sought to achieve increases in measured GDP, whereas 'we seek increases in living standards including improved health and education. . . . We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.'

Joseph Stiglitz made his speech in Helsinki, Finland, on 7 January 1998, and so far it has been little reported. Perhaps he needed to be as far away from Washington as pos-

sible, because he undermined virtually every pillar of the structural adjustment and stabilization policies that serve as necessary conditions under HIPC. He asserts:

Moderate inflation is not harmful. Hyperinflation is costly, but below 40% inflation per year, 'there is no evidence that inflation is costly'. Furthermore, there is no evidence of a 'slippery slope' there is no evidence that one increase in inflation causes further increases. Thus 'the focus on inflation . . . has led to macroeconomic policies which may not be the most conducive for long-term economic growth.'

Budget deficits can be OK, 'given the high returns to government investment in such crucial areas as primary education and physical infrastructure (especially roads and energy).' Thus 'it may make sense for the government to treat foreign aid as a legitimate source of revenue, just like taxes, and balance the budget inclusive of foreign aid.'

Macro-economic stability is the wrong target. 'Ironically, macroeconomic stability, as seen by the Washington Consensus, typically down-plays the most fundamental sense of stability: stabilizing output or unemployment. Minimizing or avoiding major economic contractions should be one of the most important goals of policy. In the short run, large-scale involuntary unemployment is clearly inefficient in purely economic terms it represents idle resources that could be used more productively.'

The advocates of privatization overestimated the benefits of privatization and underestimated the costs. And the gains occur prior to privatization, through a process of 'corporation' which involves creating proper incentives. China 'eschewed a strategy of outright privatization.'

Competition, not ownership, is key. Private monopolies can lead to excess profits and inefficiency. Government must intervene to create competition.

Markets are not automatically better. 'The unspoken premise [of the Washington Consensus] is that governments are presumed to be worse than markets. . . . I do not believe [that]'. Stiglitz notes, in particular, that 'left to itself, the market will tend to under provide human capital' and technology. 'Without government action there will be too little investment in the production and adoption of new technology.'

The dogma of liberalization has become an end in itself and not a means to a better financial system. Financial markets do not do a good job of selecting the most productive recipients of funds or of monitoring the use of funds, and must be controlled. Deregulation led to the crisis in Thailand the 'notorious Savings and Loan debacle in the United States.'

Perhaps the key problem is that Washington Consensus 'political recommendations could be administered by economists using little more than simple accounting frameworks.' This led to 'cases where economists would fly into a country, look at and attempt to verify these data, and make macroeconomic recommendations for policy reforms, all in the space of a couple of weeks.'

Stiglitz calls for a new 'post-Washington Consensus' which, he says, 'cannot be based on Washington'. And, he adds, one 'one principle of the emerging consensus is a greater degree of humility, the frank acknowledgment that we do not have all the answers.'

Mr. WELLSTONE. "United Auto Workers International Executive Board Resolution on U.S. Contributions to the International Monetary Fund." I will quote one section:

To achieve [an] increase in exports, the IMF insists on austerity measures that include slashing public spending, jacking up

interest rates to exorbitant levels, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while the prices of basics such as food, housing, energy and transportation skyrocket.

I ask unanimous consent this be printed in the RECORD, as well as a "Dear Colleague" letter from Representative KUCINICH.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED AUTO WORKERS INTERNATIONAL EXECUTIVE BOARD RESOLUTION ON U.S. CONTRIBUTIONS TO THE INTERNATIONAL MONETARY FUND

International Monetary Fund (IMF) involvement in the recent financial crisis in Asia, and the 1994-95 crisis in Mexico, dramatizes the tremendous burden that imposed austerity measures place on working people around the world. The purpose of IMF involvement has been to bail out international banks and investors whose pursuit of excessive profits led them to make questionable, high-risk loans.

IMF-dictated austerity measures worsen U.S. trade deficits, leading to the loss of solid family-supporting manufacturing jobs in auto and other industries, while driving down the already abysmally low wages of workers living in developing nations.

Governments in South Korea, Thailand, Indonesia and Mexico and other developing nations are being told that an infusion of capital from the IMF requires them to pay down foreign loans by lowering the living standard of their citizens. The IMF's prescription calls for a increase in low-wage exports from these countries. The dollars so raised are then used to pay down loans owed to international banks and investors. As a result, our trade deficit is expected to climb by approximately \$100 billion this year alone, causing the loss of an estimated 1 million U.S. jobs.

To achieve this increase in exports, the IMF insists on austerity measures that include slashing public spending, jacking up interest rates to exorbitant levels, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while prices of basics such as food, housing, energy and transportation skyrocket.

Many of the governments receiving IMF funds fail to respect internationally recognized workers' rights, and the IMF has not required them to do otherwise, despite the high price that workers are forced to pay. In Indonesia, independent union leader Mughtar Pakpahan remains on trial for his life for his union activity. Yet the IMF has made no effort to use of its leverage to free him.

The UAW believes that the International Monetary Fund is fully aware of the impact that its austerity measures have on working people. Yet the

IMF has failed to move toward reforms of its own policies that would ensure equitable solutions to crises in financial markets. The UAW therefore opposes providing the additional funding of \$18 billion that the IMF has requested from U.S. citizens. We believe that international organizations can and must play necessary and useful roles in world affairs. Our vision of their role, however, is one that places the interests of working people at least equal to those of finance and capital.

U.S. CONGRESS,
HOUSE OF REPRESENTATIVES,
Washington, DC.

REASONS TO REJECT THE IMF SUPPLEMENTAL APPROPRIATION

DEAR COLLEAGUE: As you formulate your position, I ask that you consider the following reasons to say No to the IMF supplemental appropriation.

(1) The supplemental appropriation is not needed for the Asian bailout. The bailout of Asian borrowers has already taken place. The funds for the bailout came from existing IMF funds.

(2) The IMF has ample funds right now at its disposal. Even after the loans to Thailand, Indonesia and South Korea, the IMF has \$45 billion in liquid resources. It also has a credit line of \$25 billion through the General Arrangements to Borrow. Furthermore, it has about \$37 billion in gold reserves. And lastly, it can borrow funds from the private capital market.

(3) The IMF often makes matters worse. The IMF has a record of making matters worse even as it carries out a bailout. According to the New York Times, "[The] I.M.F. now admits tactics in Indonesia deepened the crisis . . . political paralysis in Indonesia was compounded by misjudgment at the I.M.F.'s Washington headquarters. The Wall Street Journal's assessment was more damning. "Far from stopping the damage, IMF rescue attempts have become part of the problem. Along with handing out funds, the IMF keeps peddling bad advice and sending the markets warped signals that set the stage for—guess what?—more bailouts.

(4) The IMF imposes impoverishing conditions of foreign workers. In exchange for a bailout, the governments of developing countries must submit to a harsh regimen that impoverishes workers. In Haiti, for example, the IMF has pressured the Haitian government to abolish its minimum wage, which is only about \$0.20 per hour.

(5) The IMF imposes environment-destroying prescriptions. In exchange for a bailout, the government of Guyana was forced to defund its environmental law enforcement, and accelerate deforestation. Why? To export more logs and earn foreign exchange, with which to pay back the IMF.

(6) The IMF only listens to a tough Congress. If you want to change the way the IMF does business, this supplemental appropriation would be a setback. The IMF is resistant to change. In both 1989 and 1992, the IMF ignored

the comprehensive reforms passed by Congress because the appropriation was not conditioned on IMF reform. Only when Congress made an appropriation payable only on certain reforms did the IMF make changes. This supplemental appropriation projects a weak Congress and will not produce any meaningful reform at the trouble-ridden IMF.

Sincerely,

DENNIS KUCINICH,
Member of Congress.

Mr. WELLSTONE. Madam President, I say to colleagues, I rise to speak against this Washington consensus. This IMF provision may pass with an overwhelming vote, but I want to just be crystal clear. We are, I think most of us, internationalists. I believe that what happens in these countries, in Asia, Indonesia, Thailand and other countries, will dramatically affect our country. I have no disagreement with that. But the IMF over and over and over again has imposed austerity measures, has depressed the wages and living conditions of people in these countries, has been in violation of statutes that are supposed to govern the IMF in relation to human rights, labor, in relation to respect for indigenous peoples, in relation to environmental protection.

What is going to happen is that these IMF measures are not going to help these countries or help our country. Countries following these IMF prescriptions are going to be forced either to import even less from our country because they do not have consumers because the people are poor—and the people become poor because of IMF austerity measures imposed on these countries. Or these countries—and this is another effect of IMF programs—are going to be forced into devaluing currencies and trying to buy their way out of trouble through cheap exports, which will again end up competing against, and hurting, working families in our country.

I understand my colleague, Senator SARBANES, is on the floor. I ask him, is he on the floor to speak against this amendment on IMF or on a different subject?

Mr. SARBANES. No, I am here to speak in support of the amendment, very strongly in support.

Mr. WELLSTONE. Then I wanted to use my full time.

Mr. STEVENS. We divide the time between the majority and minority. I have one person who wishes to speak in opposition and one to speak for the amendment. If the Senator wants any time he will have to get it from your time.

Mr. WELLSTONE. Madam President, yesterday I asked unanimous consent that I would have 10 minutes to speak before the final vote. I do not think it has anything to do with this other time. That, I think, is part of the RECORD. I had asked unanimous consent, and it was granted, that I would have 10 minutes to speak. I do not want

to take time away from my other colleagues. That was the only reason I asked my colleague from Maryland.

The PRESIDING OFFICER. The Parliamentarian advises me there is an agreement to vote at 11:45. It would take unanimous consent to amend that agreement.

Mr. STEVENS. Madam President, I understand what the Chair is saying, but I do remember the Senator did withhold his comments. We did agree before there was a vote on IMF he would have 10 minutes. How much time has the Senator used?

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. STEVENS. Then I ask unanimous consent the vote take place at 11:50 and the Senator have the remainder of his 5 minutes.

Mr. SARBANES. I will respect the time limit. I think we should go to the vote. I do not want to be constantly delaying the votes.

Mr. STEVENS. The Senator will have 10 minutes, the Senator from Kansas would have 2 minutes, the Senator from Florida would have 2 minutes, and I would have 1 minute to close, and that would make it 11:50.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Senator from Alaska.

Madam President, yesterday we did adopt an amendment I offered which I think will be helpful. It essentially says that the Secretary of the Treasury will set up an advisory committee with members from labor, the human rights community, the social justice community and the environmental community. I think eight members will meet with him—or her—twice a year in the future, twice a year, to monitor whether or not the IMF is living up to its own statutory mandates. Let me just simply say that Muchtar Pakpahan is a labor leader in Indonesia. He is imprisoned; he is in jail.

He is in jail because he was organizing workers for a higher minimum wage. I went through all the statutes yesterday that apply to the IMF, that are a part of the law. There is supposed to be full respect for human rights; there is supposed to be respect for internationally recognized labor rights; there is supposed to be respect for basic environmental protection provisions, and the IMF is not in compliance.

Over and over and over again, the IMF turns its gaze away from these conditions in these countries. Over and over and over again, apparently our country, this administration, turns its gaze away. I simply want to say one more time, to quote Joe Stiglitz, World Bank chief economist—I think he is right that this Washington consensus is profoundly mistaken. I think he is right when he says the IMF goes in the opposite direction of raising wage levels, focusing on education, focusing on making sure that citizens in these countries are able to benefit from the infusion of capital, that it ought not to

be just about the investors and the bankers. It ought to be about improving the living standards of people in these countries.

I think he is right to suggest that what is going to happen as a result of austerity measures imposed on these countries, as has been done in the past, there will be fewer people in these countries to consume our products. And these countries will be exporting cheaper and cheaper products into our country, again, hurting working families.

We have missed a tremendous opportunity. The United States of America and the U.S. Senate, on this vote, which I think will be an overwhelming vote in favor of this, will have missed a tremendous opportunity to be on the side of internationally recognized labor standards, to be on the side of human rights, to be on the side of environmental protection, to be on the side of improving the living standards of people in these countries. We have missed this opportunity. And I believe that this infusion of capital into the IMF, if the IMF's flawed programs are imposed on these countries, will, in fact, end up not only hurting these countries, but also hurt severely the people in our own country as well.

I think it is a tragic mistake on our part not to have used this moment, not to have used our leverage to change the flawed policies of the International Monetary Fund.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, I request that amendment No. 2135 be called up for immediate consideration.

Mr. STEVENS. We have no objection as to its immediate consideration. We are willing to accept it.

Mr. ROBB. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2135) was agreed to.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBB. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBB. I thank the Chair, and I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 2100, AS MODIFIED

Mr. SARBANES. Madam President, I yield briefly to the Senator from Delaware.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. BIDEN. Madam President, I rise this morning to support the addition of

urgently needed funds for the IMF to this supplemental appropriations bill.

Despite the clear need, despite the strong statements of concern by Federal Reserve Chairman Greenspan, and by Treasury Secretary Rubin, some of our colleagues continue to miss the point. As the biggest, most open economy in the world, as the leader of the world economy and the only global superpower, the United States has a special role to play in, and a special need for, international institutions to maintain the stability and openness of the world's financial system.

The problems now brought to light in Asia—the increasing billions in international investments that flow around the globe with the stroke of a computer key, the uneven development of banking systems in newly industrializing nations—are very real challenges to our own well-being that require serious analysis and a truly international response. They are not an annoyance that we can blissfully ignore. And they are not to be dismissed with a few ideological platitudes.

As the distinguished chairman of the Appropriations Committee stated so clearly and forcefully just yesterday, the Asian financial crisis is an “economic El Nino” that directly affects American sales overseas and jobs here at home. Our contributions to the IMF are made to protect us from the shock waves of that crisis in the Pacific, Madam President, and by denying or delaying those contributions we would only hurt ourselves.

Certainly, the IMF could well use a breath of fresh air—more openness to develop more public understanding and trust. And it is clear that we have a long way to go to establish a sound international financial system, with the clear reporting standards and accurate data that will allow markets to operate efficiently.

Those of us who share those concerns understand the need to provide the IMF with the resources it needs right now to maintain its role as lender of last resort in the kinds of currency crises that can have truly global consequences. If we do not, weaknesses in the world's financial system will only deepen and persist. And, I must add, so will the burdens carried by those people in the affected countries that are least able to deal with them, who too often pay the price for the financial follies of others.

So congratulations are due to those who worked so hard to make sure that the funding becomes part of this bill today. I know that Senator HAGEL, my colleague from the Foreign Relations and Chairman of our International Economic Affairs Subcommittee, has played a key role. And a great deal of credit must go to Senator STEVENS, Chairman of the Appropriations Committee, for his indispensable leadership.

I know that there are more hurdles to clear in this process, Madam President, but I am pleased to see that this

amendment has become part of the emergency appropriations bill. Just last week, when our IMF contributions seemed in real trouble, I expressed my confidence that the Senate would work quickly and responsibly to make this funding available. Today, the Senate has rewarded that confidence.

I pay special tribute to Senator HAGEL for his hard work on this and Senator STEVENS for promoting and providing the means to do this and my friend from Maryland for being such a strong voice. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I just want to say, I don't really have a basic quarrel with my good friend from Minnesota. I want to be on the side of environmental protection and on the side of workers' rights and on the side of human rights. The Secretary of the Treasury has committed himself to undertake a serious review of the international financial architecture. I have a lot of confidence in the Secretary of the Treasury. In fact, I think we have the best finance minister in the world in Secretary Rubin. I place great credibility in his proposals.

But you cannot remodel the emergency room at the very time the patients are being brought in to be dealt with. That is the issue that is involved in this IMF replenishment. The distinguished chairman of the committee said on yesterday that the Asian flu is the El Nino of economics, and he warned that unless we understand that, we are liable to make a big mistake. I think the distinguished Senator from Alaska was absolutely right on that point.

These countries got into trouble because of, in many respects, mismanagement of their economy. The IMF wasn't there to begin with. The IMF came in in order to try to help them out.

Now, we can argue about its programs, and I have been critical of them in the past and, indeed, even critical of them in the current context. But nevertheless, we have to do this replenishment because, if the IMF is perceived as having inadequate resources to deal with any crisis that might now emerge, it makes it more likely that the crisis will happen. If the IMF is perceived as having adequate resources, it makes it less likely that a crisis will happen because there will be an increase in confidence.

So I urge my colleagues to support the McConnell amendment; otherwise, we may be headed for very big trouble, as the distinguished chairman of the committee said on yesterday.

Mr. STEVENS. I yield to the Senator from Kansas 3 minutes and the Senator from Florida 2 minutes.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Madam President, I rise today to applaud and thank my colleagues for finally taking decisive action that will provide full funding for the International Monetary Fund while

requiring strict conditions on receiving IMF assistance.

In particular, I am pleased that this agreement insists that efforts to remove illegal trade barriers to American products be a required item in any IMF program. It is entirely appropriate that we are doing that.

I am especially pleased that this body has rejected efforts to include requirements and conditions that would have gone too far. While the recipient countries should be required to comply with tough, fundamental changes in their economies in order to receive the assistance, the bar must not be raised so high that any hope for reaching the conditions is lost. If excessive conditions had been included—and some Members in this body had been promoting those conditions—why, the United States would have no leverage to insist on reforms that would lower trade barriers to American goods and end unfair subsidies for foreign businesses. That would hurt both the country in trouble and the United States as well.

In this regard, Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator STEVENS, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge.

I also wish to pay special thanks to Senator HAGEL and to Senator GRAMS for their efforts in helping to craft language that I believe will certainly enable us to achieve both funding and the needed reforms. In particular, I wish to thank my good friend from Nebraska, who has worked tirelessly on this issue and deserves much, if not most, of the credit for enabling us to achieve real progress on this bill. Our neighboring States are particularly dependent on this country's implementing a consistent export policy and for the United States to provide continued leadership in stabilizing the world economy. In this regard, our farmers and ranchers and the many segments of our economy who depend on exports owe Senator HAGEL a debt of gratitude.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized for 2 minutes.

Mr. MACK. Thank you, Madam President. I want to begin my comments by also recognizing those individuals who have worked so hard on trying to come up with language that can be accepted by all of us. But, frankly, I am one of those individuals who believes that we have not gone far enough.

With all due respect to my colleague from Maryland, I think this is exactly the time we should be requiring change in the IMF. We were told back during the Mexico crisis that once we got that problem solved, we would do what was necessary to address the problems in international financial institutions. We have not done that, and I make the case again. As my colleague said, he has been critical of the IMF in the past. My conclusion is the only time we can ever get action is, in fact, when there is a crisis at hand, and that is

why I have felt so strongly that we needed to put conditions on that could be carried out and would be carried out.

What we are being told now, in essence, is, "We will make our best effort." The implication also is that the United States and those of us who want to put conditions on the IMF, that the United States is the only one that is interested in doing that. I disagree with that. I think there are other nations and members of the G-7 that want to see changes made.

I think we ought to insist on this. I think the first \$3.5 billion was sufficient to take care of the problems; the other \$14.5 billion could be made available later after changes have been made. But I am convinced now that, frankly, we didn't have the votes to go as far as I would like to go. I understand that.

I appreciate the efforts that have been made on both sides of this issue, but I feel compelled, Madam President, to cast a vote against this proposal. I thank you and yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I saw the report that the Dow is about ready to hit 9,000. If we do not act, as has been proposed in the IMF, the country better get ready for a slide. This is a very serious matter where I come from, and I urge the Senate to approve this amendment.

The yeas and nays have been ordered, Madam President.

The PRESIDING OFFICER (Mr. DEWINE). The question is on agreeing to the McConnell amendment No. 2100, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—84

Akaka	Durbin	Landrieu
Baucus	Enzi	Lautenberg
Bennett	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Frist	Lieberman
Bond	Glenn	Lott
Boxer	Gorton	Lugar
Breaux	Graham	McCain
Brownback	Gramm	McConnell
Bryan	Grams	Mikulski
Bumpers	Grassley	Moseley-Braun
Burns	Gregg	Moynihan
Byrd	Hagel	Murkowski
Chafee	Harkin	Murray
Cleland	Hatch	Reed
Coats	Hollings	Reid
Cochran	Hutchinson	Robb
Collins	Hutchison	Roberts
Conrad	Inouye	Rockefeller
Craig	Jeffords	Roth
D'Amato	Johnson	Santorum
Daschle	Kempthorne	Sarbanes
DeWine	Kennedy	Shelby
Dodd	Kerrey	Smith (OR)
Domenici	Kerry	Snowe
Dorgan	Kohl	Specter

Stevens
Thomas

Thurmond
Torricelli

Warner
Wyden

NAYS—16

Abraham
Allard
Ashcroft
Campbell
Coverdell
Faircloth

Feingold
Helms
Inhofe
Kyl
Mack
Nickles

Sessions
Smith (NH)
Thompson
Wellstone

The amendment (No. 2100), as modified, was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT

Mr. STEVENS. Mr. President, we have seven to eight amendments to deal with, and there is a very serious matter that needs to come up. Let me make a series of unanimous consent requests. On the BAUCUS amendment, I ask unanimous consent that there be 30 minutes equally divided, with no second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent for 20 minutes equally divided on the Murkowski amendment, with no second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent for 20 minutes on the Torricelli amendment, equally divided, with no second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2155

(Purpose: To express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer)

Mr. TORRICELLI. I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from New Jersey [Mr. TORRICELLI], for himself and Mr. LAUTENBERG, proposes an amendment numbered 2155.

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS.

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

Mr. TORRICELLI. Mr. President, I asked that this amendment be read in its entirety so that its simplicity is clear to the Senate. The totality of what is being asked is that the Justice Department, in negotiating with the W.R. Grace Corporation about a contaminated Superfund site in Wayne,

NJ, seek fair reimbursement. We make no demands. We change no law. We cite no number. We ask that there be a fair reimbursement.

I have done this because the story of W.R. Grace and its contamination in Wayne, NJ, is a story of everything that has been wrong about environmental cleanups in our country. Since 1995 the Federal Government, has been in negotiations with W.R. Grace for reimbursements. This is a site that a private company operated for 23 years. They operated it at a profit. The Government owned no share of the land or the company. When the land was no longer useful because it was contaminated, they abandoned it and left. In the ensuing years, they have given the U.S. Government \$800,000, although the U.S. taxpayers have already spent \$50 million cleaning the site. It is estimated by the Army Corps of Engineers it could cost another \$55 million.

Members of the Senate need to know the American taxpayers are being held accountable for \$100 million in cleaning this contaminated site by the W.R. Grace Corporation and that corporation has paid only \$800,000. The American taxpayers are paying this freight although they have absolutely no liability whatever as a matter of law.

For 24 months, there have been negotiations. There had been reports that there would be \$50 million in reimbursements from W.R. Grace. Then it was \$40 million. Last week it was \$20 million. There was going to be an agreement by December. And then it was January. And then it was March.

There is no agreement. There is no reimbursement. But the people of this country are going to subsidize the environmental abuses of the W.R. Grace Corporation to the tune of \$100 million. It is a disgrace.

For 18 months, the Attorney General of the United States does not have time to reach an agreement. A Member of Congress from the district, Mr. PASCRELL, Senator LAUTENBERG, and I have urged the Attorney General to proceed to litigation. She has not done so. She did not have time to litigate or to protect the taxpayers. But within 5 minutes of the filing of this amendment, she can send a letter to Senator GREGG that this is an interference with her prerogatives.

Mr. President, if the Attorney General were protecting her prerogatives and protecting the liability of the U.S. Government and the taxpayers of this country, this amendment would not be necessary. I have a great admiration for Attorney General Reno. I like to believe and assume she has no knowledge of this affair, that members of her staff have done an enormous disservice to her, to the Justice Department, and to the taxpayers of this country. As it stands, if suit is not filed, if negotiators are not emboldened, the taxpayers of this country will subsidize a private corporation for \$100 million of unnecessary expenditures.

I understand that, ironically, members of the majority party will rise to

the defense of the Attorney General and her prerogatives, which in this Congress is indeed a historic turn of events, to defend the Attorney General in this instance, that she should be allowed to pursue this without our interference or oversight.

Mr. President, the Attorney General has her responsibility and we have ours. It is her judgment whether to file a suit and to conduct the negotiations. But when those negotiations are concluded, it is this Congress that must appropriate the money to meet the settlement.

All that I have done is offer a sense of the Senate—not a law, a sense of the Senate—that we would like the Attorney General to vigorously pursue these negotiations and protect the interests of the taxpayers. That is all I have asked. I do not know how the request could have been more modest. I intend to reserve the balance of my time, because it is my interest to hear the distinguished chairman respond to this request, but I want simply to say before we hear his comments that I am personally offended at the Attorney General's correspondence and deeply disappointed at its tone, its lack of cooperation, and the failure to meet the responsibilities to defend the interests of this Government in this litigation.

I reserve the remainder of my time.

Mr. LAUTENBERG. Madam President, I rise to join in offering this amendment to address a serious problem in my state.

This amendment is very timely. This week, I have been working with my colleagues on the Environment and Public Works Committee on Superfund reauthorization.

I strongly believe that the Superfund reauthorization bill before the Committee will severely undermine the concept that the polluter should pay for the waste it created, which is what this amendment before us now is all about.

The Federal government is long overdue in reaching an adequate resolution of claims against W.R. Grace & Co., for the cleanup of the Wayne Superfund Site in New Jersey. There seems to be no end to the headaches experienced by the residents of Wayne Township over this site and over the lack of any settlement.

Between 1955 and 1971, the W.R. Grace & Company owned and operated a thorium extraction operation in Wayne Township.

In 1984, because of the threat to the public's health from potential groundwater contamination, the site was placed on the Superfund National Priorities List and is now being managed by the Corps of Engineers under the Formerly Utilized Sites Remedial Action Program (FUSRAP).

That same year, 1984, W.R. Grace provided a payment of \$800,000 and signed an agreement with the Federal government. This agreement stated that the

government can still pursue legal action against the company under applicable laws, which would include Superfund. In the meantime, cleanup costs for this site continued to escalate, costing the taxpayers millions of dollars.

As the costs continued to mount, I became convinced that the government had not done all it could to help alleviate this burden on the taxpayers. Since 1995, I have worked to get the government to bring this company to the negotiating table. In September of that year I wrote to then-Secretary of Energy Hazel O'Leary requesting that DOE consider pursuing additional funds for cleanup from private parties. At my urging, in November 1995, the Departments of Energy and Justice finally brought W.R. Grace, the former owner and operator of this site, to the table to discuss a settlement. I ask unanimous consent to have printed in the RECORD a copy of a letter I received from DOE in November 1995 which showed its commitment to get W.R. Grace to come to the table.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY,
Washington, DC, November 24, 1995.

Hon. FRANK R. LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: In my September 29, 1995, letter, I advised you that the Department of Energy would look into the matter of seeking cost recovery against potentially responsible parties for cleanup of the Wayne, New Jersey, site.

After consulting with the Office of the General Counsel, my office has initiated discussion with W. R. Grace and Company to assess their willingness to contribute to the cleanup of the Wayne site. If these discussions are successful, W. R. Grace's cooperation could enable the Department to expedite the overall cleanup schedule for the site.

If possible, we would prefer to avoid time-consuming and costly litigation so that available resources are focused on cleaning up the site. If discussions with W. R. Grace are unsuccessful, we will consider other options including requesting the Department of Justice to initiate formal cost-recovery actions.

We share your goal of pursuing opportunities to expedite the cleanup activities at Wayne. As one example, the Department began removal of the contaminated material in the Wayne pile through an innovative total service contract with Envirocare of Utah. We want to thank you for the enormous support that you have provided over the years to bring this project to fruition.

If you have further questions, please contact me, or have a member of your staff contact Anita Gonzales, Office of Congressional and Intergovernmental Affairs, at (202) 586-7946.

Sincerely,

THOMAS P. GRUMBLY,
Assistant Secretary for
Environmental Management.

Mr. LAUTENBERG. We continually hear from the Administration that they are making progress and that a final resolution of the Wayne settlement is imminent.

Today, I rise to reiterate my strong opposition to a final settlement that

would permit W. R. Grace to escape appropriate responsibility for its share of the pollution. This amendment reminds the Attorney General that we not only want to see progress, but that we demand a settlement that adequately reimburses the taxpayers.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, this would be, in our judgment, a very bad precedent. It would allow litigants involved in a case against the United States to come to the Senate, through their Senator, and try to obtain passage of a sense-of-the-Senate resolution that would assist them in their negotiations with the U.S. Government. Although the amendment would not be binding, it could be used in a court of law to argue the merits of the case.

I do not know much about this case other than I have discussed it with the distinguished Senator from New Jersey, but as I informed him, we have a letter from the Attorney General—and it is signed by the Attorney General personally—written to the chairman and ranking member of the State, Justice Commerce Subcommittee. I understand that the distinguished chairman is here. I yield to him for the balance of the time to explain further why we are opposed to the amendment.

Mr. GREGG. Well, I don't rise in opposition to the substance of what the Senator from New Jersey has said. I think he has made the argument for his case very effectively. Certainly, this is a major issue for him and his State—cleaning up of this superfund site.

What we are dealing with here, however, is the fact that we have been contacted by the Attorney General. Obviously, I am not the spokesman for the administration, and I would not put myself in the position of the other party, but I believe we have an obligation when we are contacted by the Attorney General. She has expressed her strong opposition to having this sense of the Senate passed during the pendency of the negotiation and litigation of this case. I think she has a very legitimate procedural position.

Now, again, I am not arguing the equities of this or the substance of the question. I am arguing that it would be inappropriate, as she represents, for the Congress to express the sense of the Senate, which would then put the administration—specifically, the Attorney General—in the difficult position of having the Congress interject itself in the middle of what are ongoing negotiations relative to the settlement in this case.

Let me read briefly from her letter:

The Department of Justice opposes this amendment, which is intended to influence the department in its conduct of the pending litigation.

That is essentially a summary of the letter. It goes on to explain why the Department thinks that this will affect the litigation as it goes forward. So I rise with significant reservation about

this because I recognize that the Senator from New Jersey has a very strong feeling and is trying to put forward his constituents' feelings. I believe we would be setting a very difficult, very inappropriate precedent as a Congress if we start interjecting ourselves into issues of negotiation in active litigation, where we have been advised by the Attorney General of the United States that that would negatively or inappropriately impact that litigation.

From that standpoint, I have to rise in opposition to this sense of the Senate, with all due respect to the Senator from New Jersey, who I think clearly has made his case well. In light of the letter from the Attorney General, I believe it would be inappropriate to proceed at this time.

Mr. TORRICELLI. Mr. President, recognizing the views of my friend, the Senator from Alaska, the distinguished chairman of the committee, and the Senator from New Hampshire, I will not insist upon the amendment.

Let me conclude the debate by simply suggesting this: I think it would be regrettable if this Senate ever allows itself to be silenced in simply expressing its intentions or desires because the executive branch may have conflicting views or believe an issue is its prerogative. Ultimately, the expenditures of this Government are our responsibility.

So I want the Attorney General to be clear on this. I will shortly ask that this amendment not proceed. But this should be clear as negotiations proceed with the W.R. Grace Corporation. If it is the intention of the Justice Department to reach a settlement, whereby the taxpayers of the United States are left with this \$100 million expenditure and a private corporation, which has profited by these operations, and the resulting environmental abuse, is left without making a significant contribution, I most assuredly will return to the floor of the Senate with an amendment on an appropriations bill that would cover the payment of those expenditures, and I will insist on a vote, and I will fight. I do not believe the taxpayers of this country should be subsidizing polluters. I will not stand for it. Nevertheless, in deference to my friends and colleagues from Alaska and New Hampshire, in recognition of their views, at this time I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STEVENS. Mr. President, I thank the Senator from New Jersey for his courtesy in withdrawing the amendment. I have to notify other Senators to come. We thought there might be a vote.

AMENDMENT NO. 2156

(Purpose: To make an amendment to housing opportunities for persons with AIDS)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LAUTENBERG, proposes an amendment numbered 2156.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ____ . HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA-NJ Primary Metropolitan Statistical Area (in this section referred to as the "metropolitan area"), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to thank the managers of this bill, Chairman STEVENS and Ranking Member BYRD, as well as Senators BOND and MIKULSKI, for agreeing to a provision of critical importance to southern New Jersey's AIDS afflicted community. This provision allows for the administration of Housing for Persons with AIDS (HOPWA) funding for four southern New Jersey counties by the State of New Jersey.

New Jersey's AIDS community has raised concerns about the current administration of HOPWA funding to four southern New Jersey counties: Camden, Gloucester, Salem, and Burlington. In order to better serve the needs of southern New Jersey's AIDS community, this provision gives the Department of Housing and Urban Development (HUD) the statutory authority to delegate the administration of southern New Jersey's HOPWA funding to the State of New Jersey.

This provision will help improve the implementation of housing services for southern New Jersey's AIDS afflicted, and I am pleased that the managers of the fiscal year 1998 supplemental appropriations bill have agreed to include this change. Again, I thank them for their work on this matter.

Mr. STEVENS. Mr. President, this amendment will require the Department of Housing and Urban Development to adjust, in a manner consistent with the need, the allocation of the funding under the Housing Opportunities for Persons with AIDS Program, the problems that occur in certain areas of New Jersey and Pennsylvania under that act.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The amendment (No. 2156) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TORRICELLI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I ask that I be able to address the Senate for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADVERTISING IN POLITICAL CAMPAIGNS

Mr. TORRICELLI. Mr. President, as Senators rise to address things that have been added to the supplemental appropriations bill, I, quite the contrary, rise in recognition of something significant that has not been added to the supplemental appropriations bill. It is one of those few instances where there is a genuine achievement by the Senate in failing to act.

It had earlier been suggested that an amendment might be offered to prohibit the FCC from using its powers to order a reduction in the cost of television advertising in political campaigns. This legislation does not contain that provision. In my judgment, it affords the FCC an extraordinary opportunity to take the lead in campaign finance reform.

Mr. President, on 117 occasions in this decade, the U.S. Senate has considered, voted, and failed to implement fundamental campaign finance reform. This Senate has continued that unfortunate tradition. But now the Senate has an opportunity to help the process of political reform in the United States and to renew confidence in the institutions of Government and the political process itself by doing something for which it should be fully capable. They need do nothing.

Yesterday, the new and very able chairman of the FCC, Chairman Kennard, announced that he would commence a notice of inquiry, which is an information-gathering process, to lead to a ruling on free air time. This could be the most significant achievement for campaign finance reform in the United States in 25 years, because fundamental to the problem of campaign fundraising in the United States is the cost of campaign television advertising. President Clinton and Senator Dole, in the last Presidential campaign, spent two-thirds of all the money they raised to purchase tele-

vision advertising time from the commercial networks. Some U.S. Senate campaigns, including my own, spent over 80 percent of their resources on television advertising.

Mr. President, it makes no sense that candidates for Federal office in the United States spend so much of their time traveling around the country meeting with contributors, raising money, instead of meeting with voters, addressing real concerns in their States, because they need to raise millions of dollars to purchase federally licensed air time that belongs to the people of this country. This air.

Time does not belong to the networks; it belongs to us, the people of this country. It is only licensed and it is given on condition. One of those conditions should be to be responsible in aiding the public debate.

I supported the McCain-Feingold legislation, and I know some of my colleagues, like Senator McCONNELL, did not. But, rightfully, Senator McCONNELL did note something with which I strongly agreed—that the United States does not need less political debate; it needs more political debate to address our serious problems, to discuss our differences. This is the one means by which we can reduce the cost of running for political office and this threshold price of inquiry, of entering into the political process, and still enhance and expand political debate.

Mr. President, it is a considerable achievement that this supplemental appropriations bill does not prohibit the FCC from acting in this instance. I hope that continues to be the stance of this Congress and that Chairman Kennard moves beyond this level of inquiry, genuinely adjusting and changing permanently the cost of television advertising. It is not too late for this Congress to move beyond the complaining, the infighting, the inquiries of the last Federal election and institute genuine reform. It is not too late, but it is getting late. And this may be the last opportunity.

I am very pleased, Mr. President, that this legislation has remained silent on this issue and that this last lingering hope of reform remains alive.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma is recognized.

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the introduction of S. 1868 are located in today's RECORD under