

Mr. SHUSTER. May I ask why the gentleman is objecting? Is it in order, Mr. Speaker, for me to ask why the gentleman is objecting?

The SPEAKER pro tempore. Under the Speaker's guidelines, the Chair is not recognizing the gentleman from Pennsylvania for that purpose at this time.

APPOINTMENT OF CONFEREES ON H.R. 2488, FINANCIAL FREEDOM ACT OF 1999

The SPEAKER pro tempore. Without objection, the Chair announces the Speaker's appointment of the following conferees on the bill (H.R. 2488) to provide for reconciliation pursuant to sections 105 and 211 of the concurrent resolution on the budget for fiscal year 2000:

For consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. ARCHER, ARMEY, CRANE, THOMAS, RANGEL, and STARK.

As additional conferees for consideration of sections 313, 315-316, 318, 325, 335, 338, 341-42, 344-45, 351, 362-63, 365, 369, 371, 381, 1261, 1305, and 1406 of the Senate amendment, and modifications committed to conference:

Messrs. GOODLING, BOEHNER, and CLAY.

There was no objection.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 263 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2606.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2606) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes, with Mr. THORNBERRY in the chair.

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The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, July 29, 1999, amendment No. 3 printed in part B of House Report 106-269 by the gentleman from Pennsylvania (Mr. PITTS) had been disposed of.

Under the order of the House of that day, it is now in order to consider amendment No. 6 printed in the CONGRESSIONAL RECORD by the gentleman from New Jersey (Mr. ANDREWS).

AMENDMENT NO. 6 OFFERED BY MR. ANDREWS

Mr. ANDREWS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. ANDREWS: Page 116, after line 5, insert the following:

PROHIBITION ON FUNDS FOR NEW OPIC PROJECTS

SEC. 585. None of the funds made available by this Act may be used by the Overseas Private Investment Corporation, after the enactment of this Act, for the issuance of any new guarantee, insurance, reinsurance, or financing, or for initiating any other activity which the Corporation is otherwise authorized to undertake.

The CHAIRMAN. Pursuant to the previous order of the House, the gentleman from New Jersey (Mr. ANDREWS) and a Member opposed each will control 15 minutes.

Does the gentleman from Alabama (Mr. CALLAHAN) seek to control the time in opposition?

Mr. CALLAHAN. Yes, I do, Mr. Chairman.

Mr. Chairman, I ask unanimous consent that my time be halved with the gentlewoman from California (Ms. PELOSI), and that she be given the authority to yield the time for her 7½ minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey (Mr. ANDREWS) is recognized for 15 minutes.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in 1996, this House voted to end welfare as we know it for single moms and for people struggling to raise families across America. This amendment says that it is time for us to end corporate welfare as we know it.

The amendment says that the Overseas Private Investment Corporation, OPIC, will be precluded from initiating new deals, new transactions, with the money that is in this underlying bill. It says that DuPont and General Electric, and McDonald's, and some of the largest corporations in the world, ought to risk their capital in risky international investments, not the capital of the American taxpayers.

Now, I have had the opportunity to outline my views previously on Thursday night, but I want to quickly summarize them before yielding to supporters of my amendment.

We will no doubt hear that this will cause chaos at OPIC. It will not. This amendment does not interfere with the ongoing operation and the wind-down of the entity. It simply says that funds should be used to effectuate that wind-down rather than to initiate new deals.

We will hear that this will have a devastating effect on U.S. investment overseas. Frankly, the huge majority, the immense majority of private investments by U.S. corporations overseas have nothing to do with OPIC. They have to do with the judgments of entrepreneurs and investors in the global market every day.

We will hear that somehow or another this is unilateral disarmament in the war on trade. It is nothing of the sort. It is the recognition that the real engine of international growth for the U.S. economy is not the taxpayers' pockets, but the entrepreneurs taking a risk.

This is one of the few amendments I have ever seen that is supported by Ralph Nader and Milton Freedman. And that is probably all people need to know about why they should support it.

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

Ms. PELOSI. Mr. Chairman, I ask unanimous consent to yield the 7½ minutes that has been yielded to me to the gentleman from New Jersey (Mr. MENENDEZ) and that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey (Mr. MENENDEZ) will control the 7½ minutes.

Mr. MENENDEZ. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. RANGEL), the distinguished ranking Democrat on the Committee on Ways and Means.

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

Mr. RANGEL. Mr. Chairman, I oppose this amendment. It really puts a damper on American entrepreneurship as we try to transfer technology to the least developed countries that we have in the world.

Recently, this House passed the African Growth and Opportunity bill. It was not just out of compassion that we did it, but we wanted to make certain that we have people that are able to be able to be productive, to have disposable income, to have jobs, to have dignity, and not to be looking for welfare and to be looking for foreign assistance.

What OPIC does is encourage private investment to have partnerships so that we are able to say that all over the world, especially in developing nations, that our great Republic will be able to have meaningful commercial trade relations.

I have been to Africa. I have been there with Eximbank. I have been there with OPIC. I have been there with the State Department. Believe me, OPIC really encourages foreign investment, and we need it now more than ever.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER), the chairman of the Subcommittee on Asia and the Pacific of the Committee on International Relations.

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

Mr. BEREUTER. Mr. Chairman, I rise in strong opposition to the amendment. While the amendment might make for catchy so-called cost-cutting sound bites, in reality it would significantly hurt U.S. foreign policy, result in a revenue loss for the Federal Government, and cost American jobs and American export opportunities. This amendment has only costs, in my judgment, and no benefits.

First, contrary to some things that have been said, OPIC has contributed \$3.3 billion to deficit reduction and the Function 1050 account. In fiscal year 2000, OPIC anticipates it will contribute approximately \$200 million to deficit reduction. OPIC is self-sustaining and generates an annual increase in funding. If OPIC were eliminated, the budget would lose revenues rather than achieve savings. In fact, this amendment would put the Federal Government \$200 million in the red for just the next year.

Since OPIC's operating costs are covered by user fees, eliminating OPIC does not mean these resources are available for other programs or can be considered as cut spending. There are no millions of dollars in savings as claimed by the amendment's supporters, just lost jobs and export opportunities without any offsetting benefit.

OPIC supports new, high-paying, export-oriented jobs in the United States. More than 237,000 jobs have been created as a result of OPIC-supported projects. In 1998 alone, nearly 7,000 U.S. jobs were created by OPIC projects. Without OPIC, it is estimated that 70,000 job opportunities could be lost in the next 4 years.

To those who express concern about OPIC supported investment abroad luring jobs away from America to foreign countries, this Member recommends they examine closely what kind of investments OPIC is supporting and what kind of so-called foreign jobs are being created. The United States cannot supply raw electric power to Egypt. We can supply American-made power generating equipment and services. How is selling power generating equipment and years of spare parts and services taking jobs away from Americans? If we don't sell the Egyptians these power plants, the Europeans, Japanese, Canadians, or other foreigners will.

The United States does not grow tea. Therefore, how does investing in a tea plantation in Rwanda steal American jobs? Indeed, it supports U.S. jobs insofar as that tea operation needs tools, machines, trucks and other services—and these are products and services made by American labor.

The United States is not home to the great African savannah and giraffes, lions, zebras, and baboons are not native wildlife. Therefore, how does supporting the eco-tourism industry in Botswana by investing in new hotels and tour operations take away American jobs? On the contrary, this development requires all kinds of infrastructure, construction materials, furnishings, vehicles, and services—these goods and services Americans produce and sell.

OPIC-backed projects around the world are U.S. small businesses. Over the next 4 years it is estimated that OPIC projects will generate \$23 billion more in America exports. \$6 billion

of those exports are to be from over 150 American small businesses.

OPIC has proven itself to be a successful supporter of American foreign policy. OPIC mobilizes private sector investment in support of U.S. foreign policy at no cost to the American taxpayer. The Andrews amendment would mean no support for U.S. investment in high priority foreign policy areas. It would eliminate an estimated \$9 billion in increased trade and investment with Sub-Saharan Africa, \$4 billion in Central America and the Caribbean, and \$8 billion for development of Caspian Sea energy resources.

Since 1971, OPIC supported projects which have resulted in the export of \$58 billion of American products. More than \$2.8 billion in American exports were generated by OPIC supported projects in 1998 alone.

With respect to the Andrews-Sanders-Sanford amendment, I would have to say that it hurts American competitiveness and benefits our foreign competitors. Most of our developing nations, like France, Germany and Japan, offer a comprehensive array of export and overseas investment support. They clearly understand the importance of such programs in supporting jobs and economic growth at home. The U.S. spends less per capita, as a percentage of GDP, and in dollar terms on supporting private sector investment in developing countries than any other major competitor country.

Mr. Chairman, the support OPIC provides is not corporate welfare and has not eliminated American jobs as the "Dear Colleague" letter circulated recently complained. Caterpillar was cited. It makes tractors in Illinois, and that is the epitome in Peoria of an American city. The Member, I suspect, would be surprised to find among the Caterpillar workers any of them who believe they are fat cats.

These are hard-working Americans. OPIC helps promote the sale of the tractors they make at no cost to the American taxpayer. Given the significant support foreign competitors receive from their governments, without OPIC, America's Caterpillar is in many instances at a real disadvantage to Japan's Komatsu or Korea's Hyundai. Let us not ignore the consequences—ultimately, this Amendment benefits foreign competitors like Komatsu at the expense of American workers in all 50 states.

Mr. Chairman, in response to the charges by some OPIC critics that OPIC is not even authorized, this Member would remind his colleagues that the House International Relations Committee, the appropriate authorizing body, has already considered and marked up a new reauthorization for OPIC. This legislation is pending on the Union Calendar.

Mr. Chairman, I urge opposition to the Andrews amendment.

Mr. ANDREWS. Mr. Chairman, I yield 4 minutes to the gentleman from South Carolina (Mr. SANFORD), one of the co-authors of this amendment and a person who has been very diligent about cutting costs for the American public.

Mr. SANFORD. Mr. Chairman, I thank the gentleman for yielding me this time. I support this amendment

and am, indeed, a cosponsor on this amendment because it makes sense to the United States taxpayer.

This amendment is not about the inefficiency of OPIC. As government organizations go, it is quite efficient. It is not about the management. It has a good management. I have met with George Munoz, who is head of OPIC. The issue that this amendment gets to is not is OPIC able to handle the mandate that it has been given, but rather is that mandate in the best interest of the United States taxpayer. And I think if we look under the hood on this, we would come to the conclusion that no is the answer.

First, Mr. Chairman, there is a financial risk to the U.S. taxpayer with OPIC. OPIC was given a billion dollars of seed money in 1971 when OPIC was begun, and yet if we look, since 1971 there has not been, for instance, a world war. These loans or guarantees are backed with the full faith and credit of the United States Government. If there was a war, we would see the cost to those guarantees. There has not been a global depression since 1971. If there was a severe economic downturn, we would see the cost to those guarantees.

In fact, if we look in Brazil, where there is \$1.9 billion of taxpayer exposure, OPIC itself has said that fully half of their portfolio could be affected by the crisis there. The same could be said, for instance, in Russia. So, one, there is a contingent liability that goes back to the United States taxpayer. Two, there is a direct cost.

With the money that was originally provided, interest is earned on that money. And if we look at the income statement of last year, \$139 million was the net income and \$193 million came as a result of these interest payments. That leaves a loss of \$54 million.

Admittedly, \$54 million is not a lot of money in Washington, but back home that is a lot of money. In fact, I did a back-of-the-envelope calculation, and it would take 13,500 taxpayers, average taxpayers, working and paying taxes for a full year, to send Washington \$54 million.

Third consideration is that it does cost American jobs. And that is not my opinion or the opinion of the gentleman from New Jersey (Mr. ANDREWS). That is the opinion of Time magazine. They did a three-part series on corporate welfare. What they found was, for instance, a \$29 million loan guarantee for Levi Strauss and Company to build a manufacturing plant in Turkey, while, at the same time, the Labor Department was handing out unemployment and training benefits for 6,400 American workers who had been laid off in 11 American plants with Levi Strauss and Company. The point of that article was saying that the two were directly correlated.

Finally, I would just make mention of the fact that this changes markets. If we change a market, we change where an investment can be made. And

so what we are doing is subsidizing development off our coast. And as well, what we are doing is preventing a marketplace from developing with other insurers.

This is a need that needs to take place, but it could be easily handled by the Lloyds of London, who are not in this business right now because OPIC is.

Mr. MENENDEZ. Mr. Chairman, I yield myself 2½ minutes.

First, let me thank the distinguished gentlewoman from California (Ms. PELOSI), the ranking member of the committee, for yielding me this time.

I join my colleague the gentleman from New Jersey (Mr. ANDREWS) in saying that I am against corporate welfare, but this, the subject of his amendment, is not about corporate welfare. It is hard to understand how anyone can object to a program that returns money to the U.S. Treasury while at the same time furthering our foreign policy goals and helping to increase foreign investments and exports overseas.

Last year, OPIC earned a profit of \$139 million. And in fiscal year 2000, OPIC will contribute an estimated \$204 million in net negative budget authority. In fact, OPIC has had a positive net income for every year of operation with reserves now totaling \$3.3 billion.

All that we do through the appropriation process is to allow OPIC to spend money that it has already earned to cover its administrative costs. We do not save money for the taxpayers by cutting OPIC's appropriations. In fact, quite to the contrary. By supporting this amendment, we will forfeit an estimated over \$200 million in net budget authority for the next fiscal year.

At a time when Congress is trying to adhere to the constraints of a balanced budget, OPIC stands apart as a revenue-earning program. And at a time that we are facing record high trade deficits, we need to be looking at ways to expand our export promotion programs, not contract them.

More American exports mean more American jobs. More than 237,000 American jobs have been created as a result of OPIC's supported projects. In our home State of New Jersey, OPIC has provided over \$1 billion in financing and insurance, generating \$3 billion in U.S. exports and creating over 10,000 jobs.

We should not be so shortsighted. We live in a global economy and only those who can compete will succeed. This is not corporate welfare. OPIC is one of the ways that we ensure that American companies and American jobs thrive in the next century. We cannot afford to be so naive as to believe that American companies, large and small, can compete without this type of support when their competitors have the full economic and diplomatic support of their governments.

Mr. Chairman, I urge my colleagues to oppose the Andrews amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. MANZULLO).

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Mr. MANZULLO. Mr. Chairman, we have OPIC because there is no private sector that can fill that gap. Lloyds of London, nobody could come in and fill that gap.

In fact, OPIC has been partnering with Lloyds of London on being able to come up to a relationship whereby part of this type of insurance can be privatized. The reason we need OPIC is so that we can be on an even keel with our exporting partners around the world.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Vermont (Mr. SANDERS), one of the coauthors of the amendment with a leading voice for progressive issues in America.

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I strongly support this amendment, which would strike a good blow against the \$125 billion a year we are currently spending on corporate welfare.

My, this is a strange debate. I am hearing conservative Republicans tell us they believe in government insurance. This is what it is.

Now, it is interesting, however. This is not government insurance for middle-class homeowners. This is not government insurance for those people who are paying outrageous premiums for automobile insurance. No, no, no. We do not get government insurance for that.

But if they are J.P. Morgan, they can get government insurance for a \$200 million investment in an oil field in Angola. If they are Texaco, they get government insurance for \$139 million for investment of a power generating project in the Philippines. If they are the Chase Manhattan Bank, they get socialized insurance.

Here we have conservative Republicans, corporate Democrats telling us government insurance for the multinationals. I think that that is pretty strange.

Mr. Chairman, it seems to me that we should note that in Indonesia right now OPIC officials are in that country, and they are in that country because the government there is suggesting that an American-backed company may not be able to make as much money as they wanted; and if that in fact takes place, it is going to be the American taxpayer through OPIC that bails out that particular company that invested in Suharto's dictatorship.

Mr. Chairman, another disturbing aspect of this situation is that the United States Government is providing financial incentives to the largest corporations in this country to invest abroad.

Now, some of us think that it would be a very good idea for these corporations that are investing tens of billions of dollars abroad to maybe bring that investment back to the State of Vermont and other States around this country to put our people to work at decent paying jobs.

I hear our friend say that OPIC makes money, OPIC makes money. Well, if OPIC makes money, then maybe we better think about government insurance in other areas. And I would yield right now to any person who is opposing the Andrews amendment to tell us that they are prepared to support government insurance for homeowners, government insurance for automobile people who need automobile insurance.

Are they in favor of that, Mr. Chairman? Not. I ask the gentleman from New Jersey (Mr. MENENDEZ).

Only government insurance for the large multinational corporations. Let us stop corporate welfare. Let us support the Andrews amendment.

Mr. MENENDEZ. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Connecticut (Mr. GEJDENSON), ranking Democrat of the Committee on International Relations.

Mr. GEJDENSON. Mr. Chairman, I would join my friend from Vermont (Mr. SANDERS) in having universal health coverage, but that is not the debate today. The debate today is whether this program helps or hurts Americans and American workers.

I would argue that \$52 billion in exports that OPIC facilitated helps American workers, that almost \$3 billion in the U.S. the Treasury in fees from these corporations, not welfare, but charges to these corporations giving us profits in every year that OPIC has operated in, \$20 million in 1970, in excess of \$200 million in 1997, and even during the Asian financial crisis \$138 million, and anticipated back over to \$200 million next year.

What this does is help American jobs, helps us export manufacturing, helps America's international national foreign policy get executed. It is cheaper than a Marshall Plan and it helps American jobs.

The gentlemen who are opposing this amendment have good intentions, but they are dead wrong.

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from New Jersey prohibiting OPIC from supporting any new investment projects.

This amendment would not only close down any future OPIC investments in Africa, but it would eliminate billions of dollars of OPIC-related hurricane assistance for Central America and the Caribbean. The adoption of this amendment would prevent billions of dollars of future U.S. exports from ever taking place. Thousands of jobs now held by American workers would be

lost, and millions of dollars in tax revenue would be unavailable to our States and local communities.

Since its inception in 1971, OPIC generated over \$58 billion in U.S. exports, created more than 237,000 jobs. It operates on a self-sustaining basis and actually provides funding authority to pay for the humanitarian development and anti-narcotics programs contained in the legislation we are now debating.

Accordingly, I urge my colleagues to oppose the Andrews amendment.

Mr. ANDREWS. Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Alabama (Mr. BACHUS).

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. BACHUS. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, let me just make one thing very clear about OPIC making money. OPIC holds government bonds. The Department of the Treasury of the United States then pays interest on the government bonds.

So when we talk OPIC making profit, the profit is being paid for by taxpayers to an organization that holds government bonds. It has nothing to do with making money or having a profit.

So let us just be clear about the fact that we use this terminology carefully. We know this is a very tough fight here because it is right at the heart of subsidies to the most powerful, and we understand that it is hard to win that. But I think it is very important that when we have this debate that we be clear about it.

I am not suggesting for a second that anybody is trying to distort the truth. We have just got to get the facts about what profits are all about. It is not about any government operation making money in the marketplace. It has to do with taxpayers giving them money that then gets scored as extra money, which some call profits. That is in error. So we ought to be clear about what this organization actually does.

Mr. BACHUS. Mr. Chairman, reclaiming my time, I would say, as chairman of the Subcommittee Domestic and International Monetary Policy, I would join the chairman in his assessment on the profit it makes.

Now, we have heard that OPIC helps American workers, and we have heard that it hurts American workers. I want to focus on that one claim.

Let us look at one of these transactions. In 1997, OPIC financed the building for Levi Strauss of a garment-making factory in Turkey, a \$29-million guarantee, because they did not want to finance it themselves and private insurers would not do it.

Well, what happened when Levi Strauss built that factory? They laid off 6,400 workers at U.S. garment-making factories in 11 locations in the United States.

Now, do my colleagues think that those 6,400 employees, if any of them are listening today, that they will buy this argument that we are creating jobs? We lost those jobs. And not only

did we lose those jobs, but the Labor Department had to go in, and let me tell my colleagues what they had to do. They had to provide unemployment assistance, and they also had to provide trade adjustment assistance because of the Levi Strauss factory which had been built in Turkey, financed by OPIC.

I strongly urge support of this amendment.

Mr. CALLAHAN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Missouri (Mr. BLUNT), the chief deputy whip.

Mr. BLUNT. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in opposition to the amendment.

As the gentleman from New Jersey (Mr. MENENDEZ) and others have talked about, we are in a global economy. OPIC does open markets. OPIC has helped create jobs in this country. And OPIC charges premiums. OPIC charges premiums.

One of the big criticisms of OPIC is that the premiums are too high and that is why they have \$3.3 billion in reserves. Now, if the premiums are too high and the private sector would be interested in going into these areas, why is it not there?

OPIC fills a void that the private sector will not go into if OPIC is eliminated. They will go into troubled countries. They go into countries that insurance companies of a private nature will not go into. These premiums have generated \$139 million last year. They are expected to generate \$200 million this year.

OPIC's claims because of the way OPIC is funded become a priority whenever these troubled countries try to re-establish relationships with the United States.

No private company would have that great advantage in settling claims. That is why OPIC does not lose money. That is why OPIC does encourage trade. That is why OPIC works. That is why the private sector will not replace it if it is eliminated.

I urge my colleagues to vote against this amendment.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. PAUL).

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

Mr. PAUL. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in strong support for this amendment. If it were true that this agency is profitable, we would not be here. They would be making profit, and OPIC would not need to come here every year.

They are asking for \$55 million. Where does the profit come from? It was stated earlier very clearly; from the interest they earn. They have a portfolio of \$3 billion of U.S. securities.

But these did not reduce the national debt. That is part of the national debt.

We pay interest on that \$3 billion. And this agency gets \$194 million from it, four times the amount of the requested appropriation.

No wonder on paper it looks profitable. And they say, well, the private companies will not insure some of these projects. That means it is probably risky. Why should the taxpayer assume the risk? Why should these corporations be protected with this corporate welfare?

This is the reason why jobs are exported at a cost to the American taxpayer. It is bad economics. And it is a lot of twisting of the facts if we call this agency profitable at the same time they are getting \$194 million that we barely talk about.

How many other agencies of government get interest like this? This is almost a government unto itself, the fact that it has that much financing without even a direct appropriation because it is paid out of the interest budget.

This is indeed a very important amendment. I believe that we should definitely vote for this. If we care at all about the taxpayer of this country, we should expose what is happening with corporate welfare.

The little people are not coming to us today begging us to vote against this amendment. It is the corporations, the giant corporations, not our small mom-and-pop businesses. They are not coming and saying, please, please protect OPIC. No, it is the giant corporations that have been able to manipulate and get benefits from programs like this.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) has 2 minutes remaining. The gentleman from New Jersey (Mr. ANDREWS) has 2 minutes remaining. The gentleman from New Jersey (Mr. MENENDEZ) has 3½ minutes remaining. The gentleman from Alabama (Mr. CALLAHAN) has the right to close.

Mr. MENENDEZ. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

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

Mr. BENTSEN. Mr. Chairman, the reason why we have this insurance program is the same reason why we have the HUD insurance program for homeowners in this country, low-income homeowners, because the marketplace does not provide for it, just as my colleague from Missouri just said.

The other reason we have this program is because our trading partners around the world do this and do it a lot more. So if we are to pass this amendment and unilaterally withdraw from being a competitive trading Nation, we will only drive up the imports in this country, drive down the exports from this country, and cost Americans jobs.

By passing this amendment, we will not do anything to bring capital back into this country. OPIC is used in my district where we have companies that are looking for new markets to get into.

The Stewart & Stevenson Company builds turbine engines and then sells them throughout the world. And when they sell more engines, they hire more Americans to build them in my district.

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That is what this is about. So if you want to try and find some pure philosophy that only the United States is going to do, it will be at the expense of the American worker.

Mr. MENENDEZ. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. Wu).

Mr. WU. Mr. Chairman, I rise today on behalf of small business owners and workers in my home State of Oregon and in opposition to the amendment offered by the gentleman from New Jersey (Mr. ANDREWS). This amendment to abolish OPIC would damage the efforts of Oregon's small businesses in emerging markets overseas. In Oregon, OPIC has financed and insured projects worth \$27 million. These efforts have generated over \$33 million in Oregon exports. Many new jobs come through businesses that supply goods and services to projects insured or financed by OPIC, businesses like Hyster Sales Company in Tigard, Oregon, and Interwrap Industries in Portland, Oregon.

OPIC helps level the playing field for American businesses of all sizes which compete for overseas projects. OPIC offers American businesses essential risk insurance for their investments in high-risk emerging markets. It provides temporary financing for investments when private sector support is lacking.

But OPIC does all of this in a fiscally sound manner. Customers which benefit from OPIC repay the full principal amount.

I urge my colleagues to vote "no" on the Andrews amendment.

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY), a very articulate freshman Member.

Mr. TERRY. Mr. Chairman, I rise in support of the Andrews amendment. I am not debating whether or not it is corporate welfare, but I want to talk about how OPIC must get its own house in order first as I lack confidence in this program.

I am going to tell my colleagues a story about a company in my district, Mid-American Energy, who has been working with OPIC, had used OPIC to build a power plant in Indonesia.

The government did a bait and switch. They put in a claim. Now they are pursuing to recover this lost investment. In May 1999, OPIC required an arbitration. Mid-American won in the United Nations Commission on International Trade Law, 3-0.

What next? OPIC said, "That's not good enough. We need you to do it again. We want you to go somewhere else for another arbitration."

When OPIC loses this time, will they change the rules again? Will they re-

quire this company to go three out of five arbitrations?

Mr. Chairman, Mid-American has followed OPIC guidelines. Now it must fulfill its obligations. I urge the support of this amendment.

Mr. MENENDEZ. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. DAVIS).

The CHAIRMAN. The gentleman from Illinois is recognized for 1 minute.

Mr. DAVIS of Illinois. Mr. Chairman, I am opposed to corporate welfare. I am opposed to giving away taxpayers' money. I am even opposed to fattening fat cats. But I am not opposed to stimulating business growth and development in sub-Saharan Africa, the poorest region of the world. I am not opposed to saying that in order to facilitate the development of opportunity in areas that unless there was some private investment, nothing would happen. And so while generally I would be on the other side of an issue like this one, but because of the need in areas of the world for business development, I find myself in opposition to this amendment because I want to see Africa have an opportunity to grow and develop, and I support investment in countries like sub-Saharan Africa. I oppose the amendment.

Mr. Chairman, I rise in strong opposition to this amendment to prohibit any funds for new projects by the Overseas Private Investment Corporation. Cutting OPIC's administrative budget will hurt our nation's 22 million small businesses who export directly or by contract to other countries.

Specifically, cutting funds would cut what little business assistance sub Saharan Africa, the poorest region of the world receives.

During this decade OPIC has increased its effectiveness in helping Africa. For instance, OPIC has currently four privately managed investment funds available to support investment in Africa. These programs focus on mining, manufacturing, broadcasting, information technology and I hope to see soon healthcare.

The point I am trying to make here is that if we cut OPIC'S budget we would hurt small business, decrease our nation's exports, and cut jobs. For the past three years, OPIC's budget has been effectively frozen. We already have this organization working on a shoestring budget.

OPIC is not a giveaway program, it is not a subsidy and it is not general assistance. It is not corporate welfare. This is an investment and I might add, an investment that is paying off. OPIC projects have generated \$58 billion in U.S. exports and created more than 237,000 U.S. jobs.

I must confess that I am at a loss to understand how or why we would want to cut funding for an effort that is producing results, and effectively carrying out its mission. Why would you cut the budget on an agency whose budget is funded from user fees? Why prevent new investments? Why eliminate \$9 billion in trade and investment in sub Saharan Africa? Why eliminate \$4 billion in hurricane rebuilding resources in Central America and the Caribbean? Why undercut private sector rebuilding initiatives for the war torn Balkans? There is no reason to, and there is no reason to support this amendment.

Mr. Chairman, I have always been told, if it ain't broke, don't fix it!

OPIC is not broke, let's not try to fix it.

Mr. ANDREWS. Mr. Chairman, I yield myself the balance of my time. I appreciate the opportunity to summarize our point of view in the debate. I share with my friend from Illinois a real desire to develop Africa and other less developed areas. I just think we should do it openly and directly and not through the Trojan horse of corporate welfare which I believe is what OPIC is.

Here is what OPIC really says. If someone wants to build a plant or a factory in New Jersey or Oregon or Texas, they are on their own, they have to go to a bank and take a risk and borrow the money themselves. But if they want to build the plant in a foreign country, another continent, then the United States taxpayers, if they are big enough and powerful enough, will have to reach into our pockets and subsidize it. The idea of us subsidizing these operations is wrong.

Let us end corporate welfare as we know it and support this amendment.

Mr. CALLAHAN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me say that I know the distinguished gentleman from New Jersey is well-intended in his beliefs, but I do believe him to be absolutely wrong.

He mentioned the fact that plants have already spent their own money in his home State without government assistance, which is wrong to begin with, but the plants that are already there, like AT&T, like Berger International, like Schick, like Johnson & Johnson, Nabisco, Squibb and Ingersoll-Rand are all using OPIC, and I am sure that the thousands of employees who are benefitting from the fact that they are exporting the products could probably convince their fellow New Jerseyan that he was making a mistake.

The same with the gentleman from Alabama who stood up and talked about it. Yet in his hometown of Birmingham, Alabama, Mr. Chairman, they utilize OPIC more than any other city in the entire State. But the good thing about that is they ship those products through the port of Mobile and enhance the ability of the people in my district to benefit from exporting these products.

They say OPIC is not really making any money and how the books say that, but OPIC is making \$200 million a year, period. That is the fact. They are not losing money. It is true that when our countries go now into a foreign country, they are on a leveled playing field with all of the other industrialized nations because all of the other nations have similar programs. These are insurance programs that for the most part insure that if the government expropriates all of the properties there, that OPIC, the United States of America, will guarantee payment to the bank from which most of this money comes from for their guarantees.

that he might explain the problem, so in the event that the measure cannot be handled successfully in the Commerce, State, Justice bill, that we may consider it in conference.

I would like yield to the gentleman from Georgia (Mr. DEAL) to explain the problem and his request.

Mr. DEAL of Georgia. Mr. Chairman, will the gentleman yield?

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

Mr. DEAL of Georgia. Mr. Chairman, as the chairman indicated, we have a serious problem in this country with regard to individuals who are noncitizens who have been arrested for serious felonies and have been ordered deported.

They are then in the custody of the Immigration and Naturalization Service pending the acceptance back by their country of their citizenship. Unfortunately, we have many countries, well over 100 countries now, who have either refused to accept their citizens back or are unduly delaying the process of accepting them back, over 3,300 people, and we are adding approximately 60 every month to this list. These are individuals who are having to be detained in our Federal detention facilities at a cost of about \$67 a day, and the cost on an annual basis is somewhere in the neighborhood of about \$80 million.

My amendment would have addressed that by simply saying to those nations, many of whom do receive assistance under this particular bill, that they would not be able to receive that assistance unless they cooperated, which is the responsibility and the comity of nations to accept your citizens back once they have been ordered deported from another country, and that that would be a condition for their receiving assistance under this bill.

As the chairman has indicated, unfortunately, we did not receive the waiver from the Committee on Rules, but it is a serious problem, not only in my district, but in many other parts of the country. We cannot criticize the INS for not issuing deportation orders when we run into the problems of these over 100 countries who refuse to cooperate with that deportation process.

I want to thank the chairman for his cooperation in making the matter a matter before the House tonight. I appreciate his cooperation and look forward to working with the gentleman as we approach the Commerce, Justice and State appropriation, as hopefully we can find wording that will address the issue there. I also appreciate his willingness that if we are not successful there, to continue to work with us to find a solution.

I think the American people expect when we order a person deported, that their country will accept them back, and, if they do not, that they should not expect to receive foreign aid at the same time they are costing the American taxpayers over \$80 million a year.

Mr. CALLAHAN. Mr. Chairman, re-claiming my time, I would also say I

believe this is the law of the land anyway. It is my understanding we are just not adequately enforcing it; that the State Department and the Justice Department have the authority already to enforce this, and yet they are failing to do so. It is an issue that needs to be addressed by this Congress, and I am very appreciative of the gentleman from Georgia for bringing it to our attention.

AMENDMENT OFFERED BY MR. BURTON

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BURTON of Indiana:

Page 116, after line 5, insert the following:

SEC. . . Of the funds appropriated or otherwise made available in this Act in title II under the heading "DEVELOPMENT ASSISTANCE", not more than \$33,500,000 may be made available to the Government of India.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Indiana (Mr. BURTON), and a Member opposed each will control 25 minutes.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the Burton amendment and claim all time in opposition to the Burton amendment.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) will control 25 minutes.

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent to yield half of the time allocated to me to the gentlewoman from California (Ms. PELOSI), and that she be allowed to control said time.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman for yielding me time.

Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from New York (Mr. ACKERMAN), and that he be allowed to control said time.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN. The gentleman from Indiana (Mr. BURTON) is recognized.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, our foreign policy in our country has been concerned about human rights violations around the world for a long time. However, Mr. Chairman, we have been concerned about human rights around the world on a very selective basis in this country.

Recently we were in Yugoslavia, in Kosovo, trying to help the people who were being persecuted on both sides, and there were about 10,000 deaths in Kosovo. In Haiti, we sent in our troops

a few years ago, and there were only a few hundred people killed, and it cost us probably several hundred million dollars to have our troops down there, but we thought it was a good cause in this country. Yet in places like the Sudan, where 2 million people have been killed, 2 million, in the struggle for freedom, we have not done a thing. Our role is almost nonexistent.

In other parts of Africa, Rwanda, Burundi and Burma, where thousands and thousands, hundreds of thousands of people have been killed, we have not done a thing. We do not even talk about it.

In a place called Kashmir, where there are half a million Indian troops occupying that area, women are being gang raped and men are being tortured and killed. Amnesty International calls the policy of the Indian government "An official policy sanctioning extrajudicial killings," and we do not even talk about it.

In Punjab, since 1984, the last 14 to 15 years, a quarter of a million, 250,000 Sikhs, have been killed, not to mention those who have been tortured and maimed. In Kashmir, since 1988, a mere 10 years ago, 60,000 Muslims have been killed. Thousands of so-called untouchables, Dalits, the blacks in India, have been killed.

As result of some of these problems, there is a conflict going on on the border between India and Pakistan that could lead to a real problem for that part of the world, and, yes, the whole world itself, because both of those countries have nuclear weapons. According to our own State Department, India paid over 41,000 cash bounties to police for killing innocent Sikhs between 1991 and 1993. In July of 1998, police picked up Kashmir Sing, a man in Punjab. They said they arrested him for theft. Then they tortured him for 15 days. They rolled logs over his legs so he could not walk. They submerged him in a tub of water and slashed his thighs with razor blades and put hot peppers into the wounds.

Sikhs are routinely found floating dead in canals with their hands and feet bound together. One thousand cases of unidentified bodies were cremated not too long ago by the military.

Of course, I talked to you about the Muslim persecution in Kashmir where there are 500,000 troops. Women are gang raped while their husbands are forced to wait outside at gun point. The Christian persecution, since Christmas Day of 1998, there has been a wave of attacks on Christian churches, prayer halls, schools, including the murder of priests, one of which was beheaded.

Our State department agrees. They said, "There was a sharp increase in attacks against Christians just last year." Some of the things that are going on I cannot even talk about. They parade Dalit women, the blacks, around naked, and they are gang raped as well in many cases.

The State Department report on page 22 says, "The Human Rights Commission is prohibited by statute from directly investigating allegations of abuse involving army and paramilitary forces." They are talking about the Human Rights Commission in India. They are specifically prohibited by statute from directly investigating allegations of abuse involving the army and paramilitary forces.

The human rights organizations around the world, such as Human Rights Watch says, "Despite government claims that normalcy has returned to Kashmir, Indian troops in the state continue to carry out summary executions, disappearances, rape and torture." This report was written in July of 1999, this year.

Methods of torture include severe beatings with truncheons, rolling a heavy log on the legs, hanging the detainee upside down, and the use of electric shocks. Indian security forces have raped women in Kashmir during search operations.

I can go on and on.

Amnesty International, another human rights group says, "Torture, including rape and ill-treatment continue to be endemic throughout the country." This is in their annual report, 1999. "Disappearances continue to be reported during the year, predominantly in Punjab and Kashmir," 1999. "Hundreds of extrajudicial killings and executions were reported in many states, including Kashmir and Punjab," 1999, this year.

I talk about this year after year after year. My colleagues who defend India's government policies keep coming down saying, "Oh, well, it is a big country, the second biggest in the world. We have to keep those economic doors open. We have got to make sure that we do business with them."

Well, okay, let us do business with them, but let us at least send them a signal, send a little-bitty signal to them that these kinds of atrocities cannot be tolerated, should not be tolerated. \$11 million cut from our foreign aid to India is a drop in the bucket. They are getting foreign aid from all over the world. So if we cut them by a mere \$11 million, one-fourth of the developmental aid we are going to give them, to send a little signal that they should stop these human rights abuses, is that wrong? I think not.

But if the persecution of these people were not enough, let me talk to you about something else, something that I think is extremely important that we have not talked about for a while.

Last week, my colleagues who support these atrocities in India by not sending them a signal, last week the Indian oil minister attempted to circumvent the United Nations embargo on Iraq by extending a \$25 million loan to Iraq in a deal that knowingly violated, or were going to knowingly violate the U.N. trade sanctions imposed on Iraq for invading Kuwait in 1990. It was not until international pressure

was put on India that they reluctantly bowed and complied with the U.N. rules governing these transactions.

India's minister of oil and gas said, granted his agreement would violate U.N. sanctions, but he said his country would never allow a friend like Iraq to suffer. He went on to say India is deeply concerned about the situation in Iraq, adding that the Indian government would offer Iraq all the political, material, and moral support that they needed.

India also wants to help Iraq rehabilitate some Iraqi oil refineries and a lubricant oil plant. India and Iraqi officials have said they would like to soon sign a contract to develop two oil fields in southern Iraq.

So India wants to help one of the worst tyrannical regimes in the world, Saddam Hussein's, at a time when we are participating in a U.N. embargo. And we are going to continue to send the same amount of foreign aid or almost the same amount. We are not going to send any signal about the human rights violations or about them breaking this embargo, or wanting to break this embargo, about their intention to work with Saddam Hussein to develop the oil fields in southern Iraq? And I say to my colleagues, do you not want to say anything about this? Do you not want to send any kind of a signal to India?

Eleven million dollars is a drop in the bucket, but it will tell the whole world that the United States is paying attention to the horrible human rights abuses that are taking place, the atrocities that are taking place, the killings that are taking place, and, yes, the violations of the U.N. embargo that they want to take place.

□ 2045

So I would say to my colleagues, who I know have their minds already made up and who are going to be out here en masse tonight opposing this amendment, have a heart. Show a little bit of heart for these people who are suffering over there. Because unless we say something, nobody will.

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

Mr. CALLAHAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I wish to point out to Members and to the author of the amendment that the intent of his amendment is unclear. The amendment places a ceiling of \$33.5 million on the amount of development assistance aid available to the government of India. However, the President's fiscal year 2000 budget request for all development assistance to India, including both aid to the government and aid directly to nongovernmental organizations, is only \$28.7 million. In fact, about 85 percent of all aid funding to India goes through NGOs, not the government.

Therefore, the amendment of the gentleman from Indiana (Mr. BURTON) would actually allow considerably more funding to the government of

India than the President, the Secretary of State, USAID, and the committee is recommending. I do not think it was the intent of the gentleman from Indiana to increase funding for India, but based upon the reading of his amendment, it appears to me that it raises the level of assistance to India and he may want to withdraw it.

Mr. ACKERMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. BERMAN).

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

Mr. BERMAN. Mr. Chairman, I rise in strong opposition to the Burton amendment.

Cutting development assistance for India at this time would be totally counterproductive because it would undermine U.S.-India relations just when we're starting to make some real progress.

India showed great restraint in the recent Kashmir crisis, and the Indian government has made a strong commitment to resuming bilateral discussions with Pakistan as soon as all militants have withdrawn behind the Line of Control.

India has also indicated that signing the Comprehensive Test Ban Treaty will be a high priority.

On both counts, India is moving in a direction that's totally consistent with U.S. security interests in South Asia. It would be foolish to put this progress in jeopardy by cutting India's development assistance.

Mr. Chairman, human rights abuses should be taken seriously wherever they occur. India, like most countries in the world, doesn't have a perfect record.

But according to the latest State Department report on human rights practices, India is making real progress. The Indian Supreme Court has acknowledged and condemned earlier human rights abuses in Punjab, and the independent National Human Rights Commission is conducting an investigation.

The best way to improve human rights in India is to continue an open and frank dialogue, not to cut programs that limit the spread of AIDS, improve access to reproductive health services, and provide basic health care for mothers and children.

With some 500 million Indians living below the poverty line, the modest amount of assistance we provide barely scratches the surface when compared to the overall need.

But it's an important symbol of the relationship between the world's two largest democracies and it should be continued.

I urge my colleagues to defeat the amendment.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman from New York (Mr. ACKERMAN) for yielding me this time.

Mr. Chairman, I rise in strong opposition to the Burton amendment. We have heard a variety of arguments as to why we should abandon ties with India, and frankly none of them make sense. The fact is that India, the world's largest democracy, is becoming

more closely aligned with the United States and is increasingly important to us as a trading partner and a strategic partner.

Over a quarter of a million people are expected to vote in India's fall elections, free and fair elections open to every citizen of every religion of every region of every race. Think about that. A nation of 1 billion people with a free and open press practicing democracy.

This amendment sends the wrong message to the billions of people around the world who yearn for a secular stable political system, a political system in this country that our Founding Fathers believed should be based on universal freedoms. It sends the wrong message to the best allies that the United States will ever have, the world's fledgling democracies, whether they are the people of India, the people of Taiwan, or the people of Mali.

Mr. Chairman, I ask for opposition to the Burton amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman from Alabama (Mr. CALLAHAN), chairman of the committee, just said that our amendment only addresses developmental assistance when he knows full well that this amendment has been proposed in years past when developmental assistance and child survival and disease assistance was lumped into one category. Today he is trying to say that if our amendment passes, that we are actually increasing money to India, when I think they are trying to come up with a straw issue here to defeat the amendment and it is very disconcerting.

Mr. CALLAHAN. Mr. Chairman, I yield myself 15 second in which to respond by simply reading the gentleman's amendment. It says "under the heading Development Assistance." The gentleman's amendment is drafted wrong. I know that is not his intent. I was telling the gentleman this to make him aware of the consequences. The amendment will actually increase the ability of the administration to increase development assistance.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentleman from New York (Mr. ACKERMAN) for yielding me this time and for his great leadership on this issue and so many others.

Mr. Chairman, I rise in opposition to the Burton amendment which would cut aid to India. A similar resolution or amendment was defeated in 1997, and we should do so again tonight.

The last two State Department Human Rights reports praised India for the progress the country has made in the area of human rights. And in the wake of the recent Pakistani-backed incursion across the line of control into Kashmir, India has been praised by the international community for the restraint it demonstrated and for the steps it took to ensure that the situation did not escalate out of control.

The momentum gained in U.S.-India relations in recent years needs to be sustained and strengthened. It is the world's largest democracy and the world's strongest democracy should be supporting our friend and ally. I urge a "no" vote.

Mr. BURTON of Indiana. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in support of the intent of the gentleman from Indiana (Mr. BURTON) to send a message to India. I really actually admire India. India is a very large country that was created in a period of turmoil after the decline and the dissolution of the British Empire, and India has managed over the years, with great hardship, to have some fundamentally democratic institutions; and we should all recognize that they have elections there and have struggled to have independent courts and free elections and some kind of freedom of speech.

There have been ups and downs. In fact, I believe that the American business community has made a tragic error in focussing on Communist China as being that country which would be the recipient of aid and the recipient of investment over the years, when India was there and ready and willing to be a country that could increase the standard of living of its people by industrializing and making itself more prosperous.

However, let us recognize that with that that India has made some major errors and some of them are based totally on ego. And when it comes to the Kashmir and the Punjab and Jammu, the Indian Government might as well not be a democracy. For people in those areas, India might as well be Nazi Germany. It might as well not have free elections at all, because those people are being denied their right and have been all along, especially in Kashmir, to determine their own destiny through a plebiscite that was required of them by the United Nations.

The Indian Government today has, as the gentleman from Indiana (Mr. BURTON) pointed out, hundreds of thousands of troops occupying Kashmir; and many of these troops have engaged in, as troops do when they are in hostile territory, engaged in major human rights abuses that have been documented time and again by Amnesty International. There is really no doubt.

Our own government's Human Rights department here and the State Department have documented these human rights abuses. And take a look at what is being said. The type of grotesque human rights abuses against the people of Kashmir is the very same things we saw Saddam Hussein committing and also Milosevic down there in Kosovo and against the Bosnians. These things require us to act and to treat India in a certain way to try to get them to change their behavior.

First of all, and again let me go back to, India is a democratic government. I would hope people would invest in India, and I hope that the United States has closer ties to India in the future. Nothing would make that more likely than for them to seek peace in Kashmir by permitting the people there to have a vote of plebiscite which India, because of ego, continues to say no, no, no. And as long as that happens, India will be spending tens of millions if not hundreds of millions of dollars on weapons.

Mr. Chairman, think of this. Today we are only talking about decreasing the foreign aid to India by \$11 million, when the Indians themselves are spending hundreds of millions on conventional weapons and at least tens of millions, probably hundreds of millions, on nuclear weapons as well. That makes no sense at all for us to be subsidizing the weapons program of India. Instead, we should be sending this message to convince them to solve this long-festering problem in Kashmir and permit some of the democratic reforms to take place in Punjab and Jammu.

This would be a very positive message for us to send for only an \$11 million reduction. I would hope that my colleagues join me. I am sorry if there has been some kind of a drafting problem with this amendment, and I would hope that the gentleman from Indiana is permitted to solve that drafting problem here on the floor with some minor alteration of the text.

Mr. Chairman, I ask support for the intent of the gentleman from Indiana (Mr. BURTON).

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. KNOLLENBERG), who is a member of our subcommittee.

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman from Alabama (Mr. CALLAHAN) for yielding me this time.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Indiana (Mr. BURTON) as I have done for the last 5 years or so.

In light of the heightened tensions in Kashmir, the Burton amendment is the wrong approach at the wrong time. The gentleman from Alabama has mentioned the NGO situation. That is aside from some of the things that I want to say. It is important, obviously, but I want to say this amendment will have the inappropriate and ill-considered effect of ostracizing India at a critical point in the ongoing conflict over Kashmir.

Mr. Chairman, instead of risking further tension in the region, the United States should be actively engaged in promoting peace in the subcontinent of Asia. While the eventual resolution of the Kashmir conflict must be resolved bilaterally between India and Pakistan, the United States has an interest in facilitating meaningful negotiations between the parties. In fact, I believe so strongly in bringing peace to this region, that I have encouraged the administration to appoint a special envoy

to serve as an honest broker to the conflict.

But in order to help bring a framework for peace, the U.S. must come to the table with clean hands. Supporting the Burton amendment would put the recent progress in relations between India and America at risk. Over the past year, we have seen increased dialogue on nuclear nonproliferation, a better understanding of India's security concerns, and an increase in U.S.-India trade and investment. This improvement in U.S.-India relations should be sustained and strengthened, not put at risk.

In order to address concerns we may have about India, it is important to focus on fostering a positive and constructive dialogue. This amendment would do the exact opposite by risking the progress we have made.

Mr. Chairman, I urge my colleagues on both sides to vote against the Burton amendment and in support of peace in Kashmir and engagement with India.

Mr. ACKERMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. PRICE).

(Mr. PRICE of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Chairman, I rise in strong opposition to the Burton amendment and ask permission to include the full text of my remarks in the RECORD.

Mr. Chairman, I rise again this year to oppose the Burton amendment which would unfairly and unwisely cut foreign assistance to India. As this body has done repeatedly in the past, I urge my colleagues to reject this amendment.

Adoption of this amendment would send the wrong message at the wrong time. We have recently witnessed the de-escalation of a dangerous confrontation between the world's two newest nuclear powers, India and Pakistan. Rather than praising India for the restraint it demonstrated during the recent situation in Jammu and Kashmir, the Burton amendment would rebuff India and, in targeting humanitarian aid, would punish the poorest and neediest people in a country where 500 million live below the poverty line.

We are all aware of tensions in our relationship with India because of the nuclear tests fourteen months ago. Over the past year, however, we have made significant progress in intense bilateral talks between the United States and India. India has expressed readiness to cooperate in developing a multilateral agreement to halt production of fissile materials and to sign the Comprehensive Test Ban Treaty. We need to be encouraging this sort of progress. The Burton amendment could stop it cold.

India has made significant progress in liberalizing her economy and increasing trade and investment. The momentum created by these reforms would also be impeded by passage of the Burton amendment. United States businesses are India's number one overseas investor. Some 107 Fortune 500 companies are currently invested in India, and United States high tech firms see India as one of the world's most important developing markets.

Mr. Chairman, the United States must work with India to limit the proliferation of nuclear weapons, to address the security concerns of the region, and to safeguard the progress that has been made in protecting human rights. This amendment would not merely affect the level of assistance, which is already extremely limited, but far more significantly, would stigmatize India at precisely the moment we need most to build trust. I urge my colleagues to vote no on this amendment.

Mr. ACKERMAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from North Carolina (Mrs. CLAYTON).

(Mrs. CLAYTON asked and was given permission to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Chairman, I rise in opposition to the Burton amendment.

Mr. Chairman, I oppose the Burton amendment.

This amendment, whether it freezes, cuts, or caps foreign assistance to India, is a step in the wrong direction.

India's Government is moving in the right direction, at a rapid pace to strengthen its ties with the United States and the world.

The economic and diplomatic relationship between the United States, the world's oldest democracy, and India, the world's largest democracy, would receive a harmful blow with successful passage of this amendment.

Mr. Chairman, the Government of India has been on a constant pace of change since 1991.

Indeed, the most recent State Department human rights reports praised India for the substantial progress it has made.

India has established a process to receive and resolve complaints of human rights violations.

Those complaints are investigated.

And when officials and members of security forces are found to have violated human rights, India has taken swift and sure action.

Indeed, the human rights violations that Mr. BURTON alleges, no longer exist.

India is a strong and vibrant democracy, with an independent judiciary, a free press and an active voting population.

More than 650 million citizens are expected to vote in India's elections later this year.

There is no other nation that can boast of voter participation by that many citizens, and few that can match India's voter turnout which ranges around two-thirds of its voters.

And, there is no other nation that can boast of its economic ties to the United States in comparison to India.

U.S. business in India has grown at an astonishing rate of nearly 50 percent a year since 1991, from \$500 million then, to more than \$12 billion now, with the United States becoming India's largest trading partner and largest investor.

Some one hundred of America's Fortune 500 companies have invested in India, opened offices and plants there.

With so many large American companies that have now invested in India and opened operations there, it would be foolish to break those ties, ties that we have so diligently strived to assemble.

It is false and misdirected to say that India is not our friend.

I would remind my colleagues, Mr. Chairman, that our Government and the Govern-

ment of India have negotiated on very sensitive matters of disarmament and non-proliferation.

Serious efforts have been made by our two countries to find common ground on these important security issues.

Any action by the United States to stigmatize India on inaccurate human rights allegations will likely complicate our efforts to create a lasting and meaningful friendship in a very dangerous part of the World.

It should also be noted that the aid we provide to India goes for very important projects. The aid we provide to India goes to the control of AIDS, to population control, disease control and rural development.

These are important and worthy causes, causes that not only benefits India, they benefit us and the rest of the world.

In 1997, we overwhelmingly defeated this amendment by a vote of 342 to 82.

We took the right position then, and we should take the right position now.

Mr. Chairman, let us as Members of Congress not view the Government of India as being callous to alleged human rights violations.

India has made great strides in their battle to bring together diverse states within its Region.

Vote NO! on the Burton Amendment.

Mr. ACKERMAN. Mr. Chairman, I yield such time as he may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in strong opposition to the Burton amendment.

Mr. ACKERMAN. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I just find it so sad to listen to my colleagues in support of this Burton amendment spread inaccurate information about India which has tried so hard to deal effectively with human rights problems within the country.

The true human rights problem in Kashmir is that of a violent separatist movement supported by outsiders, supported by Pakistan, carried out by the followers of bin Laden and other extremist terrorist leaders destroying the homes and lives of thousands of peace-loving Hindus and Muslims.

In Kashmir, and Kashmir is part of India, the Indian security forces are trying to maintain order and protect all the citizens of Kashmir, Muslims and Hindu alike, just like we would do in any State of the United States.

I heard mention of Punjab. In Punjab, there is a Sikh government elected by the Sikhs themselves which has been in place for over 2½ years.

Mr. Chairman, I heard mention of Dalits. The President of India is a Dalit, an untouchable. The President of India. The Indian Constitution specifically provides that the caste system is outlawed and not recognized in that state.

□ 2100

We have a national human rights commission in India that has been

lauded by the State Department and other international agencies for going after human rights violations, bringing people to justice, jailing people who committed those kinds of violations.

The gentleman from Indiana (Mr. BURTON) talked about a loan to Iraq. The loan to Iraq, from what we understand, we have talked to the embassy, is nothing more than basically for humanitarian purposes. It is just totally inaccurate information that we are getting on the other side.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Inaccurate information. Human Rights Watch. My colleagues, I hear them quoting from them all the time. Amnesty International, I hear my colleagues quoting them all the time. They quote them all the time. They sit over there, and they smile and they laugh.

Amnesty International Human Rights Watch, the 1999 report that just came out, 1999 report: gang raping women, gang raping women, torturing people, throwing people in canals with their hands tied behind their back and their feet tied, drowning them; and that is an error? Come on, guys.

My colleagues are obviously concerned about constituents of theirs who lobby them hard. I understand that. But the fact of the matter is these things are going on, and we are not doing a damn thing about it.

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

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. BEREUTER), who is chairman of the Subcommittee on Asia and the Pacific.

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

Mr. BEREUTER. Mr. Chairman, I rise in opposition to the amendment. The amendment, according to the intent of the gentleman from Indiana (Mr. BURTON), would cut one-quarter of the development assistance aid to India. This would affect, of course, not only American national interests, but some of the neediest people in the world in South Asia.

Make no mistake about it, the purpose of the gentleman's amendment is punitive. It is designed to show our displeasure and our disapproval of the government of India. But India, a nation of a billion people, is too important to American interests to threaten or to punish in order to send a message or to show a pro-Pakistan tilt. Regrettably, despite his intent to the contrary, I have to submit that the gentleman's amendment does not serve our national interests, neither with regard to arms control nor in relationship to human rights.

It cuts off all aid except Public Law 480 Title II when it comes to humanitarian aid. Some of the most important things that we are trying to do to assist the poorest people in the world and

those specifically in India in this instance would be cut off. We are talking about immunizations against communicable diseases, basic education, nutrition programs, programs relating to HIV/AIDS.

I urge opposition to the amendment of the gentleman from Indiana (Mr. BURTON).

India is already subject to a wide range of sanctions in accordance with Glenn Amendment to the Arms Export Control Act. As a result, all military assistance and even the commercial sale of defense articles are prohibited. All foreign assistance except humanitarian assistance has been terminated.

While this Amendment does not affect the \$81 million in P.L. 480 Title II food aid provided by the United States, it does directly affect other kinds of humanitarian aid. Utilizing the waiver process, the remaining U.S. development aid program responds other non-food humanitarian aid which supports to two key U.S. national interests: (1) The global issues of population growth, infectious diseases and environmental conservation; and (2) the humanitarian concerns of alleviating poverty and supporting child survival.

This Amendment would directly affect these poverty alleviation and basic development programs. It would cut HIV/AIDS containment and cut immunizations against such communicable diseases as polio and tuberculosis. It would cut basic education and nutrition programs. The recipients of this aid, mostly poor Indian women and children, have absolutely nothing to do with their government's nuclear proliferation, human rights or foreign trade policies. Their lives should not be further jeopardized for the sake of making a symbolic political statement.

Our national interests in South Asia go beyond poverty alleviation. With India's and Pakistan's successful testing of nuclear weapons, it is in our own short term and long term national security interests to bring both South Asian countries into the regime of international arms control agreements. The chances for and consequences of nuclear warfare in this very volatile region are too great to belittle with symbolic political statements aimed at only party. In just the past few months, we have seen tensions escalate to a very dangerous level due to Pakistan's irresponsible provocations in Kashmir. The fact that India reacted in a relatively measured and internationally responsible way certainly helped contain and diffuse the conflict. While this Member doesn't support direct linkage between humanitarian aid and regional conflict resolution, to arbitrarily cut humanitarian assistance to India given these recent positive actions by New Delhi would, indeed, undermine the leverage we have and jeopardize our efforts to further engage India on critical nuclear proliferation issues that affect their own national security.

Human rights problems exist in India. It is appropriate for us to express concern about this issue. However, cutting humanitarian assistance is not an appropriate or effective way to influence human rights practices in India. On the contrary, it only punishes the poor in India, who unfortunately, are often the actual victims of human rights transgressions.

India is not our enemy. India is a friendly democracy. The United States continues to be India's largest trade and investment partner

with trade between our two countries exceeding \$10 billion annually.

Deep cuts in humanitarian assistance to some of the world's neediest people are not the way to go about addressing the gentleman's concerns and advancing American interests. Accordingly, this member urges his colleagues to reject the Burton Amendment.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I thank the ranking member for yielding me this time. This marks the fifth year that the gentleman from Indiana (Mr. Burton) has submitted an amendment that unjustly singles out India and hopefully the fifth year that we decide to vote it down.

The alleged claims of the gentleman from Indiana (Mr. BURTON) of India's human rights violations completely ignore the last two State Department human rights reports that praise India for its considerable progress in the human rights area.

Supporting the Burton amendment would not just weaken our dialogue with India but would undermine the strong economic relationship that both of our countries have achieved.

The United States is India's largest trading partner and largest investor. U.S. investment has grown from \$500 million per year in 1991 to more than \$12 billion in 1999. Many large American companies have seen the economic opportunities in India and have invested heavily there.

We clearly need to sustain and further strengthen the momentum that has been gained in U.S.-Indo relations, instead of proposing legislation that merely alienates an important ally.

Mr. Chairman, I rise today in opposition to the amendment offered by the gentleman from Indiana. This marks the fifth year that Mr. BURTON has submitted an amendment that unjustly singles out India, and hopefully, the fifth year that we decide to vote it down.

Mr. BURTON's alleged claims of India's human rights violations completely ignore the last two State Department human rights reports that praise India for its considerable progress in this area. The Burton amendment would substantially cut crucial U.S. humanitarian aid to India and would send the wrong message from the world's first democracy to the world's largest.

With the recent Pakistani incursion across the Line of Control into Jammu and Kashmir, India was praised by both the Administration and the International Community for the extraordinary restraint it displayed in confining its response to terrorist occupied territory. Mr. BURTON's amendment has a peculiar way of showing our support.

The government of India has worked hard to address human rights issues. India has arrested and prosecuted more than 100 individuals associated with the recent string of religious attacks that occurred earlier this year and has passed laws to take action against those officials that have committed human rights violations. Truly, Mr. BURTON's allegations continue to be based on outdated and inaccurate information.

Supporting the Burton amendment would not only weaken our dialogue with India but

would also undermine the strong economic relationship that both of our countries have achieved. The United States is India's largest trading partner and largest investor. U.S. investment has grown from \$500 million per year in 1991 to more than \$12 billion in 1999. Many large American companies have seen the economic opportunities in India and have invested heavily there.

We clearly need to sustain and further strengthen the momentum that has been gained in U.S.-Indo relations. Instead of proposing legislation that merely alienates an important ally, I suggest the esteemed member from Indiana first take the time to travel to India and see its progress first-hand. Mr. Chairman, I urge all of my colleagues to help India continue its progress in spreading the ideals of democracy by voting no to the Burton amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just like to point out that there are seven multilateral and 13 bilateral donors that provide assistance to India.

The United States is the seventh largest donor after the World Bank, the Asian Development Bank, the European Union, Japan, Germany, and the United Kingdom.

So there is a lot of people that are giving money to India. But nobody is sending any kind of a message to them that they ought to clean up their act as far as the human rights tragedies that are going on.

Christians are dying in Nagaland. Dalits, the blacks in India, are being persecuted and are dying because of Indian repression, because of the caste system. In Punjab, Sikhs are dying and being tortured. In Kashmir, women are being gang raped and men are being tortured and dying. People are going to jail without proper judicial proceedings.

We ought to at least send a signal. That is all we are saying. They are getting money from all over the world. A signal. The signal is going to be sent tonight whether we pass this amendment or not because we are talking about it.

The Indian ambassador came to me and did not want me to introduce this amendment because of what is going on over there right now. But somebody said to me a little while ago, what about the signal this is sending because of the chaotic situation that is going on up there on the border between Kashmir and Pakistan or India and Pakistan?

But what about the signal that was sent when they were going to give \$25 million to Iraq just the other day? When the Indian ambassador was in my office, they were planning to give \$25 million to Iraq in violation of the U.N. embargo. Does not anybody care about that?

Do we want them to support and work with Saddam Hussein? They said they are planning to work with him in developing oil fields in southern Iraq. Saddam Hussein has not changed. He is

a terror to that entire region. He is a blot on the world. India says they want to help them, and we are not going to send a signal? Let alone the human rights violations.

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

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana (Mr. BURTON), cutting development assistance to India.

Democratic India is in a tough neighborhood. China occupies Tibet to India's north. China sells nuclear and ballistic technology to Pakistan on India's west, and China has sold over \$1 billion worth of arms to the drug-running Burmese military junta to India east. Our Nation should be strongly supporting India, the only truly democratic nation of the subcontinent.

Passage of the Burton amendment would undercut our strategic goals of supporting peace and stability through the promotion of democratic governments in the region.

In regards to the point of the gentleman from Indiana (Mr. BURTON) that India will enter into a commercial arrangement with Iraq, I received information from the State Department that the Indian ministry of external affairs has issued a statement that India will only enter into contracts approved by the U.N. sanctions committee on Iraq.

Accordingly, I urge my colleagues to vote against the Burton amendment.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, I want to thank the gentleman for yielding me this time.

India is the world's largest democracy, and I agree that she is not a perfect nation. But I really do not know any perfect nations.

India is a young democracy, much younger than our very own. We still have problems with human rights in America. But India is moving, moving positively and progressively to try and overcome some of the difficulties of a country that has been colonized, a country steeped in poverty, a country that is seeking, working, struggling to overcome. Let us not take them back. Let us help them, not hurt them.

There is an old African proverb that says "When elephants fight, the grass gets hurt." Well, India will be hurt, 950 million of them. Let us help them, not hurt them.

Mr. Chairman, I rise in support of India and against the Burton amendment.

Today, India is the world's largest democracy with 950 million people. For half a century India has struggled to overcome colonialism, religious and ethnic conflicts and all of the problems of underdevelopment.

India has made tremendous progress in trying to address its human rights problems. India has instituted a process to receive complaints, initiate investigations of all claims, and passed laws to take action against those officials and members of security forces that have committed human rights offenses. The Burton amendment would eliminate U.S. assistance to help sustain these achievements.

Mr. Chairman, I know that India is not a perfect country. However, and perhaps unfortunately, there are none, or at the very least, none that I am aware of. Even in our own country, one whose democracy is much older, one that is more technologically advanced, we are still trying to form a more perfect union and so is India.

So why, why reduce or cut funding to the world's largest democracy? Why cut funds to a nation that is working hard and struggling to pull itself out of the depths of poverty and despair? Why cut back and or cut out the progress that is being made? W.E.B. Dubois is reported to have once said, when asked about the lack of progress being made by African Americans towards becoming a part of mainstream America, Dubois is reported to have said that "a people so deprived should not be expected to race with the wind," perhaps one could say that a young democracy like India should not be expected to progress at a much faster pace.

They are making progress in the human rights arena, but have not quite gotten there yet. They are moving in the right direction and I say, let's help and not hinder them, let us support and not oppose them, let us fund and not cut them.

Mr. Chairman, I have lived long enough to understand the African proverb that says when elephants fight it is the grass that suffers, in this case it is the people, 950 million of them. Today let us make a stand for the 950 million people who need our help.

Vote "No" on the Burton amendment and "Yes" for people of India.

Mr. CALLAHAN. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. MCCOLLUM).

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

Mr. MCCOLLUM. Mr. Chairman, I rise to oppose the Burton amendment this evening, as I have done several times over. A very similar amendment to make the same type of point was defeated in 1997 by a vote of 82 to 342 in this House, and I would hope that this amendment would be defeated by a similarly wide margin.

The reason I feel this way and so strongly is because it is our national security interest for the United States to have a strong relationship with India.

We do not need to be showing the kind of vote that a vote for this amendment would do right now when we are having the best relationships we have ever had with India in the entire history of the two countries; at a time when India is sharing a common fight

with us against terrorism, terrorism spawned by radical Islamists in that region of the world which do terrorist acts, not only in India, but all over the world, and particularly against our interests in many parts and maybe against us ourselves; at a time when China is a growing presence that we are not quite sure of and India provides a democratic ballast in that part of the world; at a time when India has just rebuffed the Pakistani incursion across the line of control in Kashmir and, under very extreme pressure of invasion, did the right thing and limited itself in restraint and, in the end, prevailed. I think this is a time to reward India, not to attack it.

I personally have spoken with the Indian ambassador within the past week, and I am very aware that the activity level involving the question of the aid to Iraq is fully within the United Nations' parameters.

There is nothing involved about human rights that has not been hashed over before. The reality is, yes, there are human rights violations; but the reality is our State Department says it is improving, and it says so in its most current report.

Mr. ACKERMAN. Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Chairman, I rise in opposition to the Burton amendment. There is no higher priority in U.S. foreign policy than checking the potential of aggression by the People's Republic of China. There is no greater interest in checking that potential aggression than the promotion of a stable, secure, and democratic India.

As the gentleman from Illinois (Mr. DAVIS) just said, no, India is not perfect. No one is. But India is essential to the future long-term interests of the United States.

This amendment takes us in the wrong direction. It should be defeated.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the logic of some of the arguments tonight kind of eludes me. One of my colleagues was talking about India being such an essential ingredient in world peace and, for that reason, we ought to do everything we can to work with them.

The logic that we have used with China is that China is so big, and they are a nuclear power, we have to stay engaged with them. We cannot criticize them. We cannot do anything but appease them because it might lead to a conflict down the road. As a result, we accept things like nuclear espionage; we accept things like illegal campaign contributions coming to the United States.

Attitudes of appeasement usually do not lead to a solution. They lead to a conflict. We saw that in World War II when Lord Chamberlain went to Munich.

All I can say is we are not talking about destabilizing or causing a problem in India right now. What we are talking about is sending a message to them. We are talking about sending a message to them that human rights violations, that gang rapes by Indian soldiers who are occupying, imposing martial law on Kashmir and Punjab will not be tolerated.

I am not saying sever relations with India. I am not saying that we should not do business with India, trade with India. I am saying we should send them a strong signal like we should send to China. We do not want espionage from China. We do not want them stealing our nuclear secrets in our nuclear labs. We do not want them trying to influence our elections, like we do not try to influence theirs. We do not want India to violate human rights, or China.

So we should send signals to those countries around the world where that occurs. We are supposedly the superpower. We are supposedly the moral compass in this world. If we are the moral compass, then at least send a signal to them.

If we cut off just \$11 million, and we did vote for that one year. We did pass that one year not too long ago, because I do remember debating Steven Solarz on this subject. I think sending that signal was the reason that India unleashed all of its resources that they possibly could to lobby this body so that we would not ever do it again. They evidently have been fairly successful.

But the feeling I have that is so strong and the reason I bring this up year after year is because I cannot go to sleep at night when I know that there are gang rapes taking place, people being tortured, people being put in jail for no good reason other than they do not like what is going on when we are supposed to be the people who really believe in freedom, democracy, and human rights.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. OWENS).

Mr. OWENS. Mr. Chairman, I have listened to the debate for the last 10 minutes, and I am appalled by the fact that the debate is taking place without any real examination of the question of Kashmir.

□ 2115

I have heard the various reasons that the gentleman has given for sending a signal to India, but the reason that all of us should be concerned about sending a signal to India is that the Kashmir bind that we have been in for almost 50 years is caused by the fact that India refuses to accept the simple route of Democratic self-determination for Kashmir.

Kashmir is a large body of people who ought to have the right to vote as to what they want to do, whether they want to be independent or join Pakistan, or maybe we will even let India

cross that off and do not have annexation to Pakistan on the agenda. Let them vote either to join India or to become an independent state. They will not even agree to that.

If Kashmir were located in Europe or in Yugoslavia, we would all be concerned about the denial of self-determination by the people of Kashmir. It has gone on for decades now and nobody seems to care about the fact that the world's largest democracy, and India likes to call itself the world's largest democracy, and I applaud democracy in India, but it has great limitations and it is totally blind when it comes to democracy for Kashmir. Kashmir is not permitted to exercise the simple right to vote.

Now we have a situation where the situation has escalated because these two powers, which dispute about a number of things but mainly about Kashmir, are now nuclear powers. They are nuclear powers. And I hate to say, but as new nuclear powers or amateur nuclear powers, they may rush into something and cause havoc in that part of the world. And of course, once we start using nuclear weapons, we have a problem with the atmosphere, we have a problem with the ashes being blown and radioactivity, all kinds of things can be set off by a war over Kashmir between Pakistan and India.

I think that if we remove Kashmir as a point of contention between India and Pakistan, we would take a giant step toward promoting peace in that part of the world and toward avoiding a catastrophe which would pull in many other nations.

Now, I was all in favor of doing what we did in Kosovo, because I thought it was important to establish a new moral order and to send a message to predators like Slobodan Milosevic. But India does not have any evil person we can personify in the case of Kashmir. But they have a long-term policy, a long-term policy of just denying the right to self-determination to the people of Kashmir. Who can justify that? And why not send a signal to India? Why not do something?

I do not hear the United Nations debating it. I do not hear anybody proposing a sense of the Congress resolution. Why are we ignoring the problem of Kashmir? Why do we let it go on and on for decades? Are we waiting for an explosion? Are we waiting for something more serious that we will be drawn into? Are we waiting when we will have to take sides because of geopolitics, that China may be on one side, therefore we have to get on the other side? Why do we not proceed with a simple nonviolent solution.

People have said we should not have gone into Kosovo with bombs; we should not have gone into Kosovo with NATO; we should have had a nonviolent solution. Here is an opportunity for a nonviolent solution. And India, as a nation, has always been in favor of nonviolence in many instances. Gandhi was the founder of the

whole nonviolent movement. Why do we not send a signal to India that we would like to see them change their ways and let Kashmir have a vote on self-determination. Any signal would be a good signal in my opinion.

I certainly will support the gentleman's amendment, because nothing else is being done.

Mr. CALLAHAN. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. STEARNS).

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

Mr. STEARNS. Mr. Chairman, I rise to oppose the amendment of my good friend the gentleman from Indiana (Mr. BURTON).

Without question, the U.S. relationship with India has been undergoing tremendous improvements in the last decade. With the rising influence of Communist China over Asia, it is in the vital national security interest of the United States to solidify our friendship and cooperation with India.

Not only is India directly threatened by the belligerent government in China, Pakistan gave military assistance to a band of terrorists who crossed into Indian territory of Kashmir and began a military assault.

The Indian military responded with equal force and fought to defend its territorial integrity. India was praised for demonstrating restraint and confined its military activities to recapturing its territory that was occupied by Pakistani-backed military forces. By adopting a proper and proportionate military response to the violation of India's borders, India took steps to ensure that the situation did not spin out of control and escalate further.

The Burton Amendment would substantially cut critical U.S. humanitarian aid to India. Examples of humanitarian aid projects include: AIDS control, population and disease control, and rural development.

In regard to trade, the U.S. is India's largest trading partner and largest investor. U.S. investment has grown from \$500 million per year in 1991 to \$12 billion in 1998. Despite the collapse of various economies in Southeast Asia over the last two years, the Indian economy continued to grow at a rate of 6% in 1998.

India has been criticized in the past for human rights violations. The last two reports on human rights from the State Department praised India for the substantial progress the country has made in the area of human rights and, of course, as mentioned the creation of the independent National Human Rights Commission.

As many of my colleagues know, this is the world's largest democracy. Elections have been held in this country in a fair manner and they have made tremendous strides towards their democracy. In 1997, in the State of Punjab open and democratic elections were held and there was a 67 percent turnout. Elections in India are regular. They are contested by numerous parties and scrutinized by a free press.

Later this year, India will conduct the largest exercised democracy in the world. More than 250 million people are expected to vote. More than 100 na-

tional and regional political parties will be participating in the elections. India maintains an independent judiciary, a free press, and diverse political parties. The India press corps actively insists in investigating human rights abuses on a regular basis.

So I understand my colleague. Every year he comes to the House floor and offers this amendment. But in this case, I think his differences with the government of India should not harm the Indian people, especially those who are in need of the aid.

Mr. ACKERMAN. Mr. Chairman, may I inquire as to the time remaining?

The CHAIRMAN. The gentleman from New York (Mr. ACKERMAN) has 6½ minutes remaining, the gentleman from Indiana (Mr. BURTON) has 1½ minutes remaining, and the gentleman from Alabama (Mr. CALLAHAN) has 4½ minutes remaining.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Burton amendment.

As in the past, the gentleman from Indiana (Mr. BURTON) has cited human rights abuses in India as the reason for his legislative initiative. While human rights abuses have been uncovered in India, it is important to note the significant progress that India has made in resolving human rights problems.

As noted in the State Department's human rights report on India, India is addressing its human rights problems because it is a democracy, as noted, the world's largest. Although the country has confronted many challenges since gaining independence in 1947, it has stayed true to its founding principles.

For 50 years, India has been striving to build a civil society, to institutionalize democratic values of free expression and religion, and to find strength in the diversity of its land and its people, despite such things as outside insurgence in Kashmir.

I do not see why we would want to jeopardize this humanitarian aid. Withholding this aid would punish the same people this ill-conceived amendment seeks to protect, adequate nutrition, shelter, and education. These are human rights too.

I oppose the amendment, and I urge my colleagues to also oppose it.

Mr. ACKERMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

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

Mr. SHERMAN. Mr. Chairman, I rise in opposition to the Burton amendment as I have in the past.

We have heard India attacked for spending money on its own defense and yet it is subject to attack by the Pakistani army in an action of aggression as Kashmir. And just as importantly, China, one of the world's emerging powers, occupies a small part of India's territory.

We have heard talk of the Iraqi potential loan, and yet that loan would go through only with the approval of the U.N. Sanctions Committee, which means that India will do nothing without the consent of the United States which has a veto on that committee.

We are told that India should just allow Kashmir to secede, but there have already been elections in Kashmir. The chief minister is a Muslim. And we should hesitate a minute before we announce that every country should allow any province at any time to hold a referendum on secession, because when South Carolina wanted to secede, that was a rather bad idea.

The Burton amendment is the wrong approach at the wrong time. In the wake of the recent Pakistani incursion across the line of control, the U.S. and India have a new opportunity to build a broad-based relationship. Instead of applauding India for the admirable restraint shown in the recent Kashmir crisis, this amendment would punish India by cutting crucial humanitarian assistance.

The Burton amendment would substantially cut critical U.S. humanitarian aid to India. These programs limit the spread of HIV/AIDS, improve access to reproductive health services, and provide supplemental feeding and basic health services to mothers and children. A similar amendment was defeated in 1997 by a vote of 342–82. No similar amendment was offered in 1998.

India is addressing the human rights violations cited by Mr. BURTON. The last two State Department Country Reports on Human Rights praised India for making substantial progress in the area of human rights and for its independent National Human Rights Commission. The Government of India has also continued to allow the International Committee of the Red Cross to visit prisons in Kashmir.

As further evidence of progress on human rights, India has arrested and prosecuted more than 100 individuals associated with the recent string of religious attacks that occurred earlier this year. In addition, India has passed laws to take action against those officials and members of security forces that have committed human rights violations.

India is under constant terrorist attacks from the followers of people like Osama bin Laden, who have training camps set up across India's borders in Pakistan. Groups like Harkat ul-Mujahidin, an organization officially designated as terrorist, by the State Department, routinely attack Indian citizens with car bombs, sniper attacks, kidnappings and wholesale slaughter of towns in an attempt to disrupt any kind of peace in the Indian state of Jammu and Kashmir.

The greatest violations of human rights in Kashmir are being committed by the Pakistani sponsored terrorist groups which in the last several months have targeted dozens of entirely innocent civilians, from participants in wedding parties to passengers on buses.

India is a strong and vibrant democracy that features an independent judiciary, free press and diverse political parties. In fact, the Indian press corps, among the most active in the world, assists in investigating human rights abuses, as do Indian non-governmental organizations.

The U.S. is India's largest trading partner and largest investor. U.S. direct investment

has grown from \$500 million per year in 1991 to \$12 billion in 1998. Despite the collapse of various economies in Southeast Asia over the last two years, the Indian economy continued to grow at a rate of 6% in 1998. In the first half of 1999, new foreign investment in India totaled \$600 million.

Many large American companies have invested in India and opened plants and offices there. More than 100 of the U.S. Fortune 500 have invested in India. Among those companies are General Electric, Boeing, AT&T, Citigroup, Morgan Stanley, Ford Motor Company, Microsoft, IBM, Coca Cola, Pepsico, Eli Lilly, Merrill Lynch, McDonnell Douglas, US West, Bell Atlantic, Sprint, Raytheon, Motorola, Amoco, Hughes, Mobil, and Enron.

Later this year, India will conduct the largest exercise of democracy in the history of the world. More than 250 million people are expected to vote and more than 100 national and regional parties will be participating in the elections.

The best way for us to help India continue to improve its human rights record is to engage in positive and constructive dialogue, one democracy to another. Not with punitive sanctions and cuts in assistance.

The Burton amendment will run counter to the progress that has been made in bilateral relations between the U.S. and India. During the past year, U.S.-India relations have been marked by increased dialogue on nuclear non-proliferation, a better understanding of India's security concerns, and an increase in U.S.-India trade and investment. India and the United States worked very closely to repel the Pakistani regulars and Pakistani-backed terrorists from the Indian side of the Line of Control.

The momentum gained in U.S.-India relations needs to be sustained and strengthened. A vote for the Burton amendment would send the wrong signal to the people of India.

Proponents of the Burton Amendment will make note of reports that India has offered Iraq a \$25 million line of credit. India has said that they will only do this in the context of UN guidelines on the Iraqi sanctions. That means they will need unanimous approval by the Sanctions Committee, which is essentially the Security Counsel, before they will go forward with the loan. The US can stop it and India will abide by the decision of the UN.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself the balance of my time, and I think I will make just a couple of points and then I will withdraw the amendment, because I have been convinced that since 2 years ago they changed the way the developmental assistance was provided and that there has been a misprinting or miswriting of the amendment, which I truly regret, but I do not think I will get unanimous consent to change it, so I will not even ask.

Mr. Chairman, the previous speaker talked about India's minister of oil and gas, and he said that India was only going to allow that loan if the U.N. said that it was all right. The fact of the matter is India's minister of oil and gas, and I am quoting him now, acknowledged the grant would violate U.N. sanctions but said his country would never allow a friend like Iran to suffer. So the intent of India was very clear. They were going to violate the

embargo. They were going to violate the U.N. sanctions.

Let me just end by saying that the reason I come down here year after year is not because I like to argue with my colleagues, because I know the other side outnumbers me. And though I really liked Cyrano de Bergerac, where he fought hundreds of people by himself and emerged victorious, I come down here with no false illusions. I know when I come down, my colleagues will beat me into the ground. But I think it is important that we bring this issue up, because human rights are being violated in Kashmir and Punjab; because U.N. agreements have been violated, going back to 1948 and the plebiscite that was agreed to.

All I can say to my colleagues is that someday I hope that we will see fit to send some kind of signal to India that will bring about some positive change.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. ACKERMAN. Reserving the right to object, Mr. Chairman, I will not object if we do that after the closing statements.

Mr. BURTON of Indiana. Mr. Chairman, I withdraw my request to withdraw the amendment.

The CHAIRMAN. The gentleman withdraws his request.

The gentleman from New York (Mr. ACKERMAN) has 6½ minutes remaining.

Mr. ACKERMAN. Mr. Chairman, I yield myself such time as I may consume.

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

Mr. ACKERMAN. Mr. Chairman, I think we are seeing a rather unique occurrence here on the floor today. Indeed, we usually enjoy doing battle with the gentleman from Indiana (Mr. BURTON). He sometimes is really a lone warrior on this issue, the overwhelming majority of the House of Representatives voting against his amendment. But, nonetheless, we have never come to the point where we have forced him into a full retreat on the floor of the House, and that is too bad, because we do appreciate hearing his point of view, in the minority though it might be.

The gentleman's amendment is being withdrawn because it is flawed, as is his logic, as are his arguments. The gentleman's intent, as it usually is, is to come to the floor, as he has time and time again, to bash India. And his intent here was to cut aid. And, instead, the flawed amendment would indeed allow an increase in aid to be sent to India. Instead of sending a letter bomb, had his amendment passed, he would have sent a Valentine's card.

The gentleman's intent was basically to hurt the most vulnerable people of the Indian society. Our assistance programs help children and the elderly and pregnant women. The gentleman

from Indiana comes to the floor as a champion of human rights. Does he not know that in Kashmir there is an elected government, democratically elected; a government that is under continuous assault from secessionist terrorists who are responsible for numerous serious abuses, including extrajudicial executions, torture, kidnapping and extortion?

Mr. Chairman, the fountainhead of human rights violations in Kashmir is state-sponsored terrorism from across the border in Kashmir. Just recently, we bore witness yet again to the fact that India was being victimized by an egregious invasion of forces from across the border in Pakistan. This invasion would have become a full-fledged war but for the commendable restraint shown by New Delhi. India has demonstrated that it is a responsible nuclear power, that it does not get provoked easily, and it knows that real power means acting with restraint.

□ 2130

India should be recognized for its exceptional conduct during the recent Kargil aggression. This amendment of the gentleman from Indiana (Mr. BURTON) does just the opposite.

Who are the people terrorizing that he speaks of? These people are terrorizing the peace-loving people of the Indian state of Jammu Kashmir, Hindus and Muslims alike. They are the victims of terrorism for the last several years. It is terror that is unbridled and violent, and it is let loose by the Mujahidin members brought in from all over the world from overseas and aided and given arms by the Pakistanis. That is the real cause for human rights abuses in Kashmir.

Mr. Chairman, the real violators of human rights in Kashmir are the numerous terrorist outfits owing allegiance for the fundamentalist religious groups. It is these religious fanatics belonging to such groups as the Harkatul-Mujahideen, recruited, trained and unleashed by Osama bin Laden and his terror network, who are fanning the flames of human rights violations in Kashmir. The Indian troops that are there are there to maintain the peace and stability of their State of Jammu and Kashmir.

The rights that the gentleman from New York (Mr. BURTON) would seek to protect are the rights of Mr. Bin Laden, who has blown up U.S. embassies all over the world. Is that who we are concerned about? I think not. It is these terrorist groups and training camps that we have to target, not Democratic India, as violators of human rights.

India is a beacon of unity and diversity. It is a multi-ethnic, multi-lingual, multi-cultural, and multi-religious civilization with a commendable record of tolerance.

This is not the time, as the gentleman of Indiana (Mr. BURTON) recognizes, to bring this amendment up. It is

not the time to bash India and to reward Pakistan. It is not time to punish the victims and to reward the aggressors.

Mr. CALLAHAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) has 4½ minutes remaining.

Mr. CALLAHAN. Mr. Chairman, I yield myself 2½ minutes.

First of all, Mr. Chairman, and to my colleagues in the House and to those that might be watching on television, if we were to have a vote on the floor of this House tonight or anytime and we would ask the Members of Congress as to whether or not they condone atrocities that are created anyplace in the world by any people, it would be 435 against. That is not really the question here tonight.

I do not question the motives of the gentleman from Indiana (Mr. BURTON). As a matter of fact, I applaud him for bringing this issue to our attention, an issue of great concern to him. But my observation is India is the largest democracy in the world, and there are 300 million people who live in poverty in that largest democracy. And 85 percent of the monies that we appropriate in this bill goes to private, volunteer organizations who spend it on making things better for the poverty stricken people of India.

There are other monies that go to India indirectly through this committee. For example, we fund UNICEF, and we also fund indirectly the Rotary International, which is in the process today of immunizing every child in India so there will not be a polio epidemic there and we will help to eradicate it.

So I do not question the fact that the gentleman from Indiana (Mr. BURTON) is concerned. I do not question his motives at all. None of us agree with any atrocities that are committed.

If we look at the situation that the gentleman from New York (Mr. OWENS) mentioned in Kosovo, the KLA is murdering people in Kosovo. Yet, within the next few months, we are going to appropriate some more money for Kosovo for humanitarian efforts.

We have already appropriated hundreds of millions of dollars already, and yet we still see the KLA now slaughtering the Serbs as they try to exit Kosovo and back into Serbia.

So it is not an indication of tolerance. It is not an indication of no concern. It is an indication of we are doing the right thing, in my opinion, by appropriating this small amount of money, of which only probably less than \$3 million goes to the Government of India and it is restricted in its use.

So, in my opinion, we are doing the right thing with the money we have agreed to give to the President in order that he can handle the international affairs as he sees fit, as the Constitution says he will.

Mr. Chairman, I yield the balance of my time to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Chairman, let me just close by saying to my colleague, the gentleman from New York (Mr. ACKERMAN), that I am not in full retreat. Withdrawing the amendment was because of a technicality, and I think my good friend knows that. And we are good friends. We worked together on other issues.

But the thing that motivates me is 200,000 Christians that have died over the past 30, 40, 50 years in Nagaland; the 250,000 Sikhs that were killed in Punjab in the last 15 years; the 60,000 Muslims that were killed in Kashmir in the last 10 years; and the thousands of Dalits, who are lower cast people, the blacks, who are mistreated and killed in India.

Maybe we are jousting windmills here. I do not know. But we have got to do what we think is right.

So I would just like to say to my colleague, we will be back another time to fight this battle. And I am sure I will have some formidable opponents like my colleagues over there, but we will do the best we can.

Just remember what Arnold Schwarzenegger said, "I'll be back."

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. ACKERMAN. Mr. Chairman, reserving the right to object, I just want to understand that the gentleman from Indiana (Mr. BURTON), under the unanimous consent request of last Friday I believe, has the right to offer an amendment, that this being withdrawn does not give the gentleman the right to offer a different amendment, and that that is not his intent.

Mr. BURTON of Indiana. Mr. Chairman, that is correct.

Mr. ACKERMAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Indiana (Mr. BURTON) is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MR. HASTINGS OF FLORIDA

Mr. HASTINGS of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HASTINGS of Florida:

Page 116, after line 5, insert the following:

SENSE OF THE CONGRESS RELATING TO COLOMBIAN FLOWER INDUSTRY

SEC. _____. (a) FINDINGS.—The Congress finds the following:

(1) The flower industry of Colombia has been recognized on several occasions by the Department of State, the Drug Enforcement Agency, and the United States Customs Service for its substantive part in reducing drug-related and other criminal activities while working closely with United States law enforcement agencies to establish extensive anti-smuggling programs.

(2) The flower industry of Colombia has been a leader as a major private industry in

reducing corruption in the commercial sector and worked closely with the Government of Colombia to strengthen the commitment of such Government to preserve and advance its democratic institutions.

(3) The flower industry of Colombia employs directly and indirectly approximately 125,000 people in Colombia.

(4) The flower industry of Colombia has established numerous social programs for workers and their families such as nursing care, day care, subsidized food and nutrition programs, subsidized schooling, and most recently, a program and publication dedicated to reducing intra-family violence.

(5) This publication is designed to strengthen family value and human rights among the workers of the Colombian flower sector.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the flower industry of Colombia should be recognized for its contributions to strengthening United States and Colombian relations by insuring strong and healthy families, domestic stability, and promoting good government in the democratic nation of Colombia.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) also seek to control the time in opposition to the amendment?

Mr. CALLAHAN. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Florida (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the chairman and the ranking member for their patience with this amendment.

I rise today to offer the amendment to the Foreign Operations bill. The amendment is designed to recognize members of the Colombian flower industry who have worked diligently to improve the living standard of all people in Colombia.

Known by their countrymen as Growers of Flowers, these business persons have been leaders in Latin American private industry in reducing corruption in the commercial sector, while working closely with the Colombian Government to bolster and advance its Democratic initiatives.

Programs being supported and funded by Growers of Flowers include corruption reduction in the private sector, the establishment of nursing care, day-care, subsidized food, nutrition, and educational programs, and a new program to eradicate domestic violence.

At this time there is scarce good news coming out of Colombia. On this past weekend, we read and saw further bombings taking place in Colombia.

The work that Growers of Flowers is voluntarily doing on the ground is, however, a bright little light.

I am offering this amendment this evening to acknowledge the contributions of Growers of Flowers, and I hope

my colleagues will join me in this effort.

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

Mr. CALLAHAN. Mr. Chairman, continuing to reserve my point of order on the amendment, I yield such time as he may consume to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise with concern over this amendment. The amendment expresses a sense of Congress. Colombia is in a very grave situation right now. Its 40-year-old government guerrilla struggle and the latter day antidrug struggle is critical.

The Colombian flower growers have been one of its most successful enterprises in Latin America, but not without help from our country. Our country allowed Colombian flowers into this country duty free.

There is a downside to the Colombian success, the injury done to U.S. flower growers. We might note that since 1992, 50 percent of the U.S. carnation producers have left the business, 39 percent of the mini-carnation producers have left the business, 54 percent of the U.S. chrysanthemum producers have left the business, and 41 percent of the rose growers have left the business.

U.S. flower growers do not get acknowledged by U.S. Congress. Nor do they get any Federal help.

Well, I am here to congratulate those businesses in Colombia that are doing well. I think that the flower growers are a good enterprise for Colombia.

Let us not forget or let us not do this praise without remembering that there is a downside, because all of those Colombian flowers get into the United States free of duty.

Mr. CALLAHAN. Mr. Chairman, continuing to reserve my point of order, I yield such time as she may consume to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the gentleman for being so generous in yielding.

I support both of the gentlemen. I think they are both right. I think that the Hastings amendment is one that is an important one, and the recognition that he seeks to present to the flower industry of Colombia is important.

But our colleague from California (Mr. FARR) is also right. I do not think that that recognition does damage to the flower industry in the U.S.; the free market does. But we must be sensitive to those needs because we have a wonderful flower industry in our country. But that does not negate the facts that the gentleman from Florida (Mr. HASTINGS) presents. I thank him for his leadership on this, especially at this sensitive time in Colombia's future.

My colleague, the gentleman from California (Mr. FARR), has been a champion on that score. He has been a friend of Colombia and is sensitive to the concerns that are there, too.

So, hopefully, we will be able to find a way to recognize and also recognize our own industries here, as well.

Mr. CUNNINGHAM. Mr. Chairman, I rise not to oppose the gentleman's amendment, but to address the concerns many of us have about the impact that the Colombian flower industry is having on American flower growers. I won't disagree with the gentleman that the Colombian flower industry has made progress in Colombia. However, I ask Mr. Speaker, at what cost?

In 1991, Congress enacted the Andean Trade Preference Act (ATPA) which provided for duty-free treatment, or reduced duties, on many products, including fresh-cut flowers, imported from the four South American Andean countries of Bolivia, Colombia, Ecuador, and Peru. This legislation was proposed to promote alternatives to coca cultivation and production by offering broader access to U.S. markets for legal products. Unfortunately, the act has not accomplished these goals.

Since the enactment of ATPA, it is clear that Colombian fresh-cut flowers have been the greatest beneficiaries. In 1992, Colombia exported \$87.7 million worth of fresh-cut flowers to the United States. By 1995, Colombian exports increased to more than \$374.4 million. This represents a 427-percent increase over that 3-year period.

How does the growth in Colombian exports compare with the domestic-cut flower industry? Domestic growers of roses and carnations have been particularly hard hit. In 1996, Colombia exported approximately 1.7 billion roses and carnations to the United States. Colombia now controls more than 50 percent of the United States market for roses and 80 percent of the carnation market. Overall, Colombian flowers account for about 65 percent of the United States fresh-cut flower market.

Meanwhile, the total number of U.S. fresh-cut flower growers has plummeted from 932 in 1992 to 706 in 1995, a decline of over 10 percent a year. Specifically, since the passage of the ATPA, more than 52.52 percent of U.S. Carnation producers, 39.02 percent of U.S. mini carnation producers, 53.95 percent of the U.S. Chrysanthemum producers, 41.62 percent of the U.S. Pompon Chrysanthemum producers, and 41.3 percent of the U.S. rose producers have left the business. This impact on the domestic-cut flower industry has been disproportionately placed upon California, home of 58 percent of the United States cut flower growers.

The ATPA provides the preferential treatment for Colombian fresh-cut flowers only—not for flowers from the Netherlands, or from any other country. This preferential treatment, however, is not serving its other intended purposes of reducing illegal drug production in the nation of Colombia.

In 1996, an International Trade Commission (ITC) report found that the "ATPA had little effect on drug crop eradication in the Andean region." This is a major understatement. In fact, since ATPA's enactment illegal drug crop cultivation has increased in Colombia. The number of hectares devoted to coca cultivation in Colombia increased from 37,500 in 1991 to more than 50,000 in 1995. The ITC report also found that "[the] ATPA had a small and indirect effect on crop substitution during 1995." Thus, we have not achieved the intended goal of reducing drug crop cultivation by providing market access for alternative crops.

We must do all we can to encourage Colombia to seek alternatives to drug production. However, the ATPA has neither effectively reduced drug crop production in Colombia, nor has it improved the economic situation of cut flower growers in the United States. If we are going to fight drug production at its source in Colombia, Members and the American people should be informed that the Andean Trade Preference Act is not up to the task.

Mr. HASTINGS of Florida. Mr. Chairman, I ask unanimous consent to withdraw the amendment. I thank the chairman and the ranking member for their indulgence.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Florida (Mr. HASTINGS) is withdrawn.

AMENDMENT OFFERED BY MR. TANCREDO

Mr. TANCREDO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Tancredo: Page 116, after line 5, insert the following: SEC. . None of the funds appropriated or otherwise made available by this Act may be provided for the United Nations Man and the Biosphere (MAB) Program or the United Nations World Heritage Fund.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Colorado (Mr. TANCREDO) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes on his amendment.

Mr. TANCREDO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment I offer today cuts nothing from the total appropriations for the Foreign Operations appropriations, but it does prohibit any use of funds for the Man and the Biosphere Program and the World Heritage Convention.

Currently, there are 47 Biosphere Reserves and 20 World Heritage Sites in the United States that in total make up a land area the size of my home State of Colorado. Creation of these reserves and sites has significant impact on non-Federal lands outside the designated areas and in several instances has caused major problems for private land owners.

In fact, several States have passed resolutions opposing U.S. Biosphere Programs.

Over the past several years in both the United States and Australia, the weight levied by World Heritage Sites has been brought to bear by private citizens carrying out the course of their industry.

In Yellowstone National Park, the environmental impact statement for

the New World Mine was not even finished when the World Heritage Committee voted to place Yellowstone on the "In Danger" list for World Heritage Sites.

□ 2145

Likewise, the Jabiluka Mine in Kakido National Forest in Australia came up against a similar threat by the World Heritage Committee, but this time the verdict was much more agreeable. What is ironic is that the decision was handed down in Paris.

Mr. CALLAHAN. Mr. Chairman, if the gentleman will yield, I withdraw my point of order.

The CHAIRMAN. The gentleman from Alabama withdraws the point of order.

Mr. TANCREDO. A decision affecting the land of private citizens in Australia was decided by bureaucrats in a country halfway around the world. These are decisions which should be handled by the government of the country in which the action in question takes place. It should in no way be given over to an international organization with foreign influence.

Similar amendments to the one I have proposed have been passed in previous appropriations bills because these programs draw from funds of over 10 governmental agencies. This House has gone on record before to deny funding to these two particular organizations, and I believe that we must come together again to make sure more American taxpayer money is not used for programs which do not serve the American people justly.

I believe that there are certainly better places for this funding to be spent than in UNESCO, an organization from which the United States withdrew over a decade and a half ago.

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

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) seek to control the time in opposition?

Mr. CALLAHAN. I do seek to control the time, Mr. Chairman, but I also ask unanimous consent to give the time to the gentlewoman from California (Ms. PELOSI) and give her the authority to yield as she so deems necessary.

The CHAIRMAN. Without objection, the gentlewoman from California (Ms. PELOSI) will control 5 minutes.

There was no objection.

Ms. PELOSI. I thank the distinguished chairman for his generosity in yielding all the time to me.

Mr. Chairman, I yield such time as he may consume to the very distinguished gentleman from California (Mr. GEORGE MILLER), the ranking member on the authorizing committee.

Mr. GEORGE MILLER of California. I thank the gentlewoman for yielding me this time in opposition to this amendment.

Mr. Chairman, the World Heritage Convention is an international treaty conceived and spearheaded by the United States during the Nixon admin-

istration under which countries voluntarily identify culturally and environmentally significant areas within their own borders and promise to continue to protect them.

The program is totally voluntary. The land must be protected in order to be nominated. It is not protected after it is nominated. The only power that the World Heritage Committee has is if the country who nominated the site goes back on its promise to protect that area, the committee can drop the site from the list.

The Man and the Biosphere program identifies protected areas where scientists can study entire ecosystems and then sets up a framework where those scientists can share their information internationally.

The framework documents which control the Man and the Biosphere program and the World Heritage Convention both contain language making clear that they in no way alter the ownership or control of these lands.

Since we were the first signatory of the World Heritage Convention in 1973, 152 other nations have followed suit. This convention was not only a promise to live up to our own standards for protecting these sites, it was an invitation to other countries around the world to follow suit.

These two programs have established the United States as a world leader in environmental protection and scientific study and the sharing of that information. Killing these programs will not hurt these sites in the U.S. They are already protected and will remain so. Yellowstone and Glacier National Parks will still be national parks if we withdraw from the World Heritage Convention. The Everglades will still be protected if we stop our scientific study under the Man and the Biosphere program.

But this action will send a signal around the world that we no longer value the kind of environmental protection and scientific study that we as a Nation pioneered and asked the world community to join.

We have seen this amendment a number of times in the last several years and the House has rejected this amendment each and every time because in fact a majority of the House understands the nature of the scientific study, the importance of designating these sites as World Heritage areas, and they also understand that this is a voluntary program. The fact that the process takes place in Belgium or in Paris or somewhere else, this is an international body. This is an international body. So that should not be foreign to the Members of Congress and that is one of the reasons why it is in this legislation. This is an international organization to foster the protection of these huge, huge world class environmental assets. The size of these assets is immaterial. Some of them are there because nations decided that these landscapes, these huge areas should be protected as we did with the

Everglades, as we did with Grand Canyon, as we did with Yellowstone. That is the purpose of this program. The international scientific study is there so scientists in one country can help other scientists learn about the kind of protections, about the kinds of programs that work to protect these environmental assets.

Mr. Chairman, I rise in strong, strong opposition to this amendment.

This amendment is a late-night, backdoor attempt to kill two programs that critics of those programs have been unable to kill in the light of day. Legislation to abolish the Man and the Biosphere and World Heritage Programs failed in 1996 and 1997 and looks like it may fail again this year. So we are here tonight to short circuit the process with a little amendment buried in a huge appropriations bill.

The World Heritage Convention is an international treaty, conceived and spearheaded by the United States during the Nixon administration, under which countries voluntarily identify culturally and environmentally significant areas within their own borders and promise to continue protecting them.

1. The program is totally voluntary.
2. The land must already be protected in order to be nominated, it is not protected after its nominated.

3. The only power the World Heritage Committee has is, if the country who nominated the site goes back on its promise to protect that area, the Committee can drop the site from the list.

The Man and the Biosphere program identifies protected areas where scientists can study entire ecosystems and then set up a framework where those scientists can share their information internationally.

The framework documents which control the Man and the Biosphere program and the World Heritage Convention both contain language making clear that they in no way alter the ownership or control of these lands.

So if these programs are so innocuous, what's the big deal if we abandon them?

Well, since the United States was the first signatory of the World Heritage Convention in 1973, 152 other nations have followed suit. This convention was not only a promise to live up to our own standards for protecting these sites, it was an invitation to other countries around the world to follow suit.

These two programs have established the United States as a world leader in environmental protection and scientific study. Killing these programs won't hurt these sites in the United States. They are already protected and will remain so. Yellowstone and Glacier National Park will still be national parks if we withdraw from the World Heritage Convention and the Everglades will still be protected if we stop our scientific study of that area under the MAB program.

But, this action will send a signal around the world that we no longer value the kind of environmental protection and scientific study that we pioneered. We would be relinquishing our role as a world leader in the protection and preservation of culturally and environmentally important areas.

Why at a time when the Nation is justifiably proud of its role as a world leader in so many areas, would we want to abdicate our role as a world leader in perhaps the most important fight of all, the fight to protect and preserve this planet for generations to come?

This amendment is an attempt to short circuit the will of the Congress and it would send a terrible signal to the rest of the world. Oppose the TANCREDO amendment.

Mr. TANCREDO. Mr. Chairman, I yield myself such time as I may consume. The opponents of the amendment have suggested that in fact we have seen this many times before and it has been turned down by the House. In fact, the House has passed and the Congress has passed this amendment more than once on other programs, on other appropriations. I refer specifically to the State Department authorizations for fiscal year 1998 and 1999, agreed to by recorded vote of 222-202. The Interior appropriations bill, fiscal year 1998, agreed to 222-203. The Department of Defense Appropriations Act, 1998, all of these.

For one thing Mr. Chairman, these two programs actually receive funding from a variety of different organizations and a variety of different departments, and so you have to go after them as you see them arise. That is why we have had to do this before. But each time, at least in the situations that I have identified, they have been passed by this House.

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

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, I will defend the committee position in opposing reluctantly the distinguished gentleman from Colorado's amendment to our bill.

Mr. Chairman, I think it is important to note that the House Committee on Appropriations mark for the IO&P account is \$167 million, which is \$25 million below the administration's request. An additional reduction of \$2 million to this account would further erode our ability to gain international cooperation in protecting the environment and natural resources.

A \$2 million reduction to the IO&P account exceeds our voluntary contribution to the Man and the Biosphere program, \$355,000, and the World Heritage Fund, \$450,000. As a result, this amendment would force reductions in other worthwhile scientific and educational activities, such as the Intergovernmental Oceanographic Commission and the International Council of Scientific Unions at a time when we look toward science to increase our understanding of global environmental problems.

Mr. TANCREDO. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Colorado.

Mr. TANCREDO. I thank the gentlewoman for letting me interject here. The fact is that we have amended our own amendment. We do not strike any particular dollar amount, we just prevent funds from going for these two programs. It actually would go other places in the bill.

Ms. PELOSI. Reclaiming my time, I thank the gentleman. We need to make those contributions to the Man and the

Biosphere program. Everything else is fully funded.

Mr. Chairman, I urge my colleagues to vote "no" on the amendment. I commend the distinguished gentleman from California (Mr. GEORGE MILLER) for his leadership on this issue.

Mr. TANCREDO. Mr. Chairman, I yield myself such time as I may consume.

There have been a number of comments made with regard to the original treaty obligations of the United States, but concerning the Man and the Biosphere program, Congress has never gone on record either authorizing or supporting such a program to be carried out. Furthermore, many people have raised the issue as to the treaty obligation for the World Heritage Fund. This, however, is not true.

In article 16, paragraph 2 of the convention concerning the protection of world cultural and natural heritage, it states that each state may declare at the time of ratification that it shall not be bound by the provisions of paragraph 1 which deals with the payment of regular contributions to the World Heritage Fund. Likewise on October 26, 1973, the Senate consented to the ratification of the convention subject to the declaration that the United States is not bound by provisions dealing with regular contributions to the World Heritage Fund. The Senate has the power to ratify, but this House has the responsibility of the public purse. We are not bound to contribute to the program with the hard-earned money of the American people.

I strongly urge support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. TANCREDO).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. GEORGE MILLER of California. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 263, further proceedings on the amendment offered by the gentleman from Colorado (Mr. TANCREDO) will be postponed.

AMENDMENT OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Kucinich:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used by the Overseas Private Investment Corporation for any category A Investment Fund project, as listed in Appendix E, Category A Projects, of the Corporation's Environmental Handbook of April 1999, as required pursuant to Executive Order 12114 and section 239(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2199(g)).

The CHAIRMAN. Pursuant to the order of the House of Thursday, July

29, 1999, the gentleman from Ohio (Mr. KUCINICH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. KUCINICH).

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Alabama reserves a point of order.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment cuts funding to environmentally sensitive Overseas Private Investment Corporation fund projects, such as oil refineries, chemical plants, oil and gas pipelines, large scale logging projects, and projects near wetlands or other protected areas. Current OPIC investment funds are not subject to any transparency requirements. Furthermore, no specific information on these projects is contained in OPIC's annual reports.

As a consequence, Congress, the public and the residents living near OPIC projects have no knowledge of the potential environmental and related financial and political risks. What is the taxpayer's interest in these projects?

Taxpayers are liable for OPIC investments overseas if they fail. I want to repeat that. Taxpayers are liable for OPIC investments overseas if they fail. Private corporations and investors make investments in OPIC investment funds. OPIC-supported funds, in turn, make direct equity and equity-related investments in new, expanding and privatizing companies in "emerging market" economies. While taxpayer money is not actually invested in these funds, taxpayers are liable for the investments should they fail. These funds have invested in more than 240 business projects in over 40 countries. Recent estimates show that the total amount in Investment Fund programs will soon reach \$4 billion.

Since taxpayers are exposed to millions of dollars of potential liabilities, I believe OPIC has a responsibility to Congress and to the public to operate in an open and transparent manner. The lack of environmental transparency conceals environmentally destructive investment of these funds not only from Congress and the American public but also to locally affected people in the countries where OPIC projects are run.

For example, a 1996 Freedom of Information lawsuit focusing on OPIC activity in Russia revealed that an investment fund project was involved in a clear cutting of primary ancient forests in northwest Russia. Russian citizens, expecting democracy building assistance from the U.S. Government, had not been provided with any environmental documentation. In fact, according to documents obtained in a lawsuit, an OPIC consultant had falsely documented the Russian citizens' support for the harmful, irreversible logging of pristine forests.

OPIC investment funds have also been involved in a gold mine in the

Côte d'Ivoire in the area of a primary tropical forest which is opposed by local citizens. Reports of other troubling projects are also being circulated. Conservation groups have filed Freedom of Information requests to obtain the names, nature, location and environmental impact assessments for all OPIC investment fund projects. OPIC, however, continues to conceal the environmental consequences of these questionable investments from the public.

What little information has been uncovered about these funds reveals a checkered environmental record. With environmentally and socially sensitive projects being a main focus of the funds, public disclosure of environmental impact assessments is even more crucial.

Organizations such as the National Wildlife Federation, Friends of the Earth, Institute for Policy Studies, Environmental Defense Fund, Sierra Club, Center for International Environmental Law and Pacific Environment and Resources Center have long advocated increased transparency in OPIC investment fund projects.

Representatives of these organizations met with the new OPIC President in February, where he agreed with their assertion that these funds should be transparent when it comes to the environment. OPIC recently launched a \$350 million equity fund for investment in sub-Saharan Africa which will include transparency and public disclosure provisions. But, Mr. Chairman, there are still 26 other funds which remain shrouded in secrecy. With almost \$4 billion invested in these programs and OPIC's sketchy environmental record, it is ever more important that OPIC be held accountable to the public regarding its investment in environmentally sensitive projects.

□ 2200

Mr. CALLAHAN. Mr. Chairman, it is my understanding that it is the intent of the gentleman to withdraw his amendment.

That being the case, I will withdraw my reservation of objection and claim the opposition time.

The CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding this time to me. So with almost \$4 billion invested in these programs and OPIC's sketchy environmental record, it is ever more important that OPIC be held accountable to the public regarding its investment in environmentally sensitive projects. The ideal legislation to correct the lack of transparency in investment fund projects would require the public disclosure of environmental impact assessments conducted on all new investment projects.

It would also allow for public commentary where citizens, especially

those living in the affected area of the project, could voice their opinions of the project. In the case of projects already under way, a renegotiation of contracts to allow for public disclosure would be required to avoid breach of contract concerns. In the absence of legislation like this and because of the limitations of appropriations bills, my amendment simply cuts funding for environmentally sensitive investment fund projects. If we cannot have full transparency in all investment fund projects, then OPIC should not be involved in projects that are environmentally sensitive.

While projects like oil refineries, gas and oil pipelines, chemical plants that produce hazardous or toxic materials, and large-scale logging projects may be necessary for the industrial development of developing countries, holding the U.S. taxpayers liable for investments in projects that could pose serious environmental or health risks to local populations with no public oversight or disclosure is unacceptable.

It is OPIC's policy, as outlined in the Environmental Handbook to conduct rigorous internal Environmental Impact Assessments on all environmentally sensitive projects. Environmental impact assessments are also required by law as found in Executive Order 12114 and Public Law 99-204. However, while the assessments for insurance and finance projects are publicly disclosed, assessments on Investment Fund projects are not. Accountable government demands that these assessments be disclosed.

Mr. Chairman, my amendment is endorsed by Friends of the Earth, Environmental Defense Fund, U.S. Public Interest Research Group, Sierra Club, Defenders of Wildlife, Center for International Environmental Law, Pacific Environment and Resources Center, Rainforest Action Network, Institute for Policy Studies and Amazon Watch.

I urge my colleagues to support my amendment and shed some light on OPIC's environmentally sensitive Investment Fund projects.

Mr. BEREUTER. Mr. Chairman, as vice chairman of the International Relations Committee, this Member rises in strong opposition to the Kucinich amendment which would cut the funding of the Overseas Private Investment Corporation's (OPIC) Investment Fund program. While this Member shares the distinguished gentleman's concern about funding only environmentally responsible projects, given that OPIC already has an effective environmental review program, it appears that the underlying purpose of this amendment is to drastically cut and restrict OPIC under the guise of environmental protection. Mr. Chairman, we have already had this debate on the Andrews amendment.

Contrary to the claims of some OPIC opponents, all of OPIC's fund investments must meet stringent world class environmental standards. These standards are higher than any other bilateral export credit, investment or insurance agency in the world. In fact, no other investment funds program has higher standards. OPIC requires that each environmentally sensitive fund investment must undergo a complete environmental impact assessment and must meet OPIC obligations to mitigate potential environmental harm. Each funds project is subject to OPIC environmental

monitoring over the life of the project. This includes the Russian forest project which has been cited and about which this Member has been informed did meet applicable World Bank Environmental Standards.

Moreover, by imposing new, additional standards by Congressional fiat and well beyond those established at the time the fund was established, this amendment could potentially expose the U.S. taxpayer to lawsuits for breach of contract.

The Kucinich amendment as written would directly undercut U.S. assistance programs to the neediest of developing countries and leave the environments of these countries open to unregulated exploitation. For example, the new \$350 million Africa Infrastructure Fund would not be able to make the most of its potential investment because infrastructure, by definition, tends to involve environmentally sensitive programs. These investments, under current laws and regulations, must follow sound environmental standards. This initial \$350 million investment is expected to leverage another \$2 billion in investment in Sub-Saharan Africa. It is unlikely that the Africa Infrastructure Fund could even raise private sector money under the conditions required by the pending Amendment. As a result, the benefits that Africa so desperately needs will be lost. This includes environmental improvement projects in the areas of clean water, forest protection and conservation of natural resources. Indeed, if unable to access resources from the Africa Infrastructure Fund, African nations will be forced to run to other sources of investment including those that may not require the same standards of environmental responsibility as we do thereby resulting in further exploitation of and damage to Africa's fragile environment.

This Member would refer his colleagues back to all of the sound reasons detailed during the debate we just had on the Andrews amendment about why OPIC is an important and successful component of American foreign policy and trade promotion. While the approach of the Kucinich amendment may be somewhat different, the cost of it equals that of the Andrews amendment. Mr. Chairman, this Member urges his colleagues to strongly oppose this amendment.

Any projects supported by OPIC in what is called Category A that subsequently change in nature from the description provided in application materials, and will thereby cause material impacts to the environment, shall be required to submit additional EA documents to OPIC that must be acceptable to OPIC in its sole discretion.

Industrial categories:

- A. Large-scale industrial plants.
- B. Industrial estates.
- C. Crude oil refineries.
- D. Large thermal power projects (200 megawatts or more).
- E. Major installations for initial smelting of cast iron and steel and production of non ferrous metals.
- F. Chemicals:
 - 1. Manufacture and transportation of pesticides;
 - 2. Manufacture and transportation of hazardous or toxic chemicals or other materials.
- G. All projects which pose potential serious occupational or health risks.
- H. Transportation infrastructure:
 - 1. Roadways;

- 2. Railroads;
- 3. Airports (runway length of 2,100 meters or more);
- 4. Large port and harbor developments;
- 5. Inland waterways and ports that permit passage of vessels of over 1,350 tons.
- I. Major oil and gas developments.
- J. Oil and gas pipelines.
- K. Disposal of toxic or dangerous wastes:
- 1. Incineration;
- 2. Chemical treatment.
- L. Landfill.
- M. Construction or significant expansion of dams and reservoirs not otherwise prohibited.
- N. Pulp and paper manufacturing.
- O. Mining.
- P. Offshore hydrocarbon production.
- Q. Major storage of petroleum, petrochemical and chemical products.
- R. Forestry/large scale logging.
- S. Large scale wastewater treatment.
- T. Domestic solid waste processing facilities.
- U. Large-scale tourism development.
- V. Large-scale power transmission.
- W. Large-scale reclamation.
- X. Large-scale agriculture involving the intensification or development of previously undisturbed land.
- Y. All projects with potentially major impacts on people or serious socioeconomic concerns.
- Z. Projects, not categorically prohibited, but located in or sufficiently near sensitive locations of national or regional importance to have perceptible environmental impacts on:

- 1. Wetlands;
- 2. Areas of archaeological significance;
- 3. Areas prone to erosion and/or desertification;
- 4. Areas of importance to ethnic groups/indigenous peoples;
- 5. Primary temperate/boreal forests.
- 6. Coral reefs;
- 7. Mangrove swamps;
- 8. Nationally-designated seashore areas;
- 9. Managed resource protected areas, protected landscape/seascape (IUCN categories V and VI) as defined by IUCN's Guidelines for Protected Area Management Categories; additionally, these projects must meet IUCN's management objectives and follow the spirit of IUCN definitions.

Mr. Chairman, this member will finally include with information as to why the Kucinich amendment on OPIC supports investment funds will kill the new Africa Infrastructure Fund.

I. The Kucinich amendment is a bullet to the heart of OPIC's \$350-million New Africa Infrastructure Fund.

This amendment would:

Stop the fund from investing in a majority of infrastructure projects (since many infrastructure projects are environmentally sensitive).

Prohibit most investments in clean water, sewage treatment, transportation, electric power and other projects that improve the lives of African people.

Undercut the fund's ability to raise the private sector matching funds.

Make the fund uneconomical and less able to invest in women and microenterprises.

It would deny the benefits of the fund, including:

6,800 new jobs for Africans.

Almost \$50 million in annual revenues for the countries of sub-Saharan Africa.

\$2.5 billion in additional financing capital to Africa.

\$350 million in exports from the United States.

II. This amendment undercuts the environmental protections and new transparency built into the New Africa Infrastructure Fund

OPIC has world-class environmental standards that apply to all OPIC programs and funds:

All environmentally sensitive projects must undergo a complete environmental impact assessment.

The New Africa Infrastructure Fund projects will provide for public notice and public comment period in the host country.

All environmentally sensitive projects must meet OPIC requirements to mitigate potential environmental harm.

All environmentally sensitive projects are subject to OPIC environmental monitoring over the life of a project.

The New Africa Infrastructure Fund must have at all times an environmental management system and a full-time qualified environmental expert supervising the implementation of OPIC requirements.

III. The amendment would jeopardize investments by two other OPIC-supported Africa funds totaling \$270 million.

These funds:

Would be prohibited from investments in many manufacturing, agricultural, and processing projects as well as many basic services in sub-Saharan Africa.

Will generate more than \$300 million in US exports (estimated).

Will create an estimated 5000 African jobs.

IV. The amendment would harm, rather than help, the environment in Africa.

Because OPIC funds would be prohibited from any environmentally sensitive investment:

Some infrastructure projects will go forward with no obligation or requirement to meet OPIC's world-class environmental standards.

Africa will lose the benefit of OPIC's world-class standards being applied to a broad range of infrastructure, manufacturing and natural resource projects.

V. This amendment will undermine OPIC's ability to fulfill its commitment to create another \$150 million fund for Africa as called for in the House-passed Africa Growth and Opportunity Act.

Mr. KUCINICH. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The amendment of the gentleman from Ohio (Mr. KUCINICH) is withdrawn.

AMENDMENT OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. STEARNS:

Page 116, after line 5, insert the following:

REPORT ON ATROCITIES AGAINST ETHNIC SERBIANS IN KOSOVO

SEC. _____. None of the funds appropriated or otherwise made available by this Act in title III under the heading "PEACEKEEPING OPERATIONS" may be obligated or expended for peacekeeping operations in the Kosovo

province of the Federal Republic of Yugoslavia (Serbia and Montenegro) until the Secretary of State prepares and submits to the Congress a report containing a detailed description of the atrocities that have been committed against ethnic Serbians in Kosovo, including a description of the incident in which 14 Serbian farmers were killed on or about July 25, 1999, and a description of actions taken by North Atlantic Treaty Organization (NATO) forces in Kosovo to prevent further atrocities.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Florida (Mr. STEARNS) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. A point of order is reserved.

Mr. OLVER. Mr. Chairman, I also reserve a point of order.

The CHAIRMAN. The gentleman from Massachusetts also reserves a point of order.

The Chair recognizes the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Chairman, I yield myself such time as I may consume.

I come here tonight, Mr. Chairman, just to request a simple study. None of the funds that are appropriated under this act, under the title "peacekeeping operations," they should not be obligated or expended for peacekeeping operations in Kosovo, province of the Federal Republic of Yugoslavia, until the Secretary of State prepares and submits to this Congress a report containing a detailed description of the atrocities that have been committed in this case against the Serbians in Kosovo.

Thirty-four churches, Mr. Chairman, have been bombed since the Air Force, since NATO has stopped their bombing exercise and we declared that we won the war, and of course recently 14 Serbian farmers were massacred on or about July 25, 1999; and my point this evening is that we are going to appropriate more money for peacekeeping operations, and I really think it is appropriate that we get the State Department under NATO, State Department working with NATO, to start to tell us what actually occurred. Are Serbians now seeing reverse cleansing at the expense of the Albanians?

Now there was a recent U.S. Today article that raised so many questions about the Clinton administration talking about their numbers, and they said, quote, "many of the figures used by the administration and NATO to describe the war-time plight of the Albanians in Kosovo now appear greatly exaggerated as allied forces took control of the providence. Instead of 100,000 ethnic Albanian men feared murdered by the rampaging Serbs the estimate now is only 10,000."

So I am hoping to bring to light through the study that I have in my amendment that before we go any further let us find out what has happened in Kosovo and about these 34 churches that have been bombed and the number

of people that have been killed and talking about these 14 Serbian farmers who are massacred. Why not? Let us hear the straight scoop now that we are in control of Kosovo and find out the real story.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

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

Mr. KUCINICH. Mr. Chairman, I rise in support of the Stearns amendment that would call for a report on atrocities against Serbs. A report by the Secretary of State on the atrocities against Serbs in Kosovo and the July 25 massacre is necessary because there must be ongoing accountability for the ongoing atrocities against Kosovar Serbs and Albanians in Kosovo.

Security must be our top priority in the Balkans. Peacekeeping operations are supposed to keep the peace. But there was no peace when 14 Serbian farmers were killed on July 25, 1999, in one of the worst massacres since the end of the war. Who is accountable for this? Who did this? How did this atrocity happen amidst peacekeeping troops? How can we prevent this from ever happening again? We need answers.

A report describing these atrocities will provide answers. More than 146 Kosovar Serbs and Albanians have been killed since the end of the bombing campaign on June 10. More than 150,000 Serbs have fled Kosovo since NATO arrived on June 10. More than 20 Serbian Orthodox churches have been damaged or destroyed since June 10. Only yesterday a Serb Orthodox cathedral in the province's capital, Pristina, was bombed.

These are not signs of peace. For true peace to prevail, there must be accountability of these actions. Peacekeeping operations will amount to nothing if they cannot prevent continued ethnic cleansing. Peacekeeping operations will amount to nothing if the perpetrators of these and other crimes are not brought to justice. This report on atrocities committed against the Serbs including the July 25 massacre is necessary if the NATO-led peacekeeping force intends to prevent any further atrocities from happening in Kosovo.

Again, I support this important amendment, and I ask my colleagues to join me in voting for the Stearns amendment; and again I think we are all concerned about events in Kosovo. We are all concerned about what happened to the Kosovar Albanians. Let justice be consistent, and let us also be concerned about what is happening to the Serbians.

Mr. CALLAHAN. Mr. Chairman, still reserving my point of order, I yield myself such time as I may consume.

I would like to enter into a colloquy with the gentleman from Florida (Mr. STEARNS) about his concerns in Kosovo and mindless killing of innocent Ser-

bian citizens who are trying to do the same thing that the Kosovars were doing when they actually did Kosovar into Albania. We are not going to tolerate that.

With respect to the gentleman's concern about reconstruction in Kosovo, as subcommittee chairman, along with the full committee chairman, we have a full hold on all money going to Kosovo until such time as the administration proves to us that the money is going to be spent for the intended purpose of refugee assistance.

The United States cannot tolerate the slaughter of Serbs. They are faced with the same problem, the same philosophical differences, but in the reverse of the Kosovars; and we cannot tolerate that, and we must insist with the administration at some point, which I think I can do that as chairman of this subcommittee, of accountability.

Give us the accountability of what is taking place there. How can we continue to tolerate this? Or how can we continue not to speak out so openly against the same atrocities that led this Congress to appropriate the millions of dollars that we sent to Kosovo and the front-line states.

So I share my colleagues' concerns, but I still reserve my point of order.

Mr. KUCINICH. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Ohio.

Mr. KUCINICH. Mr. Chairman, the gentleman is absolutely correct. And I am sure the gentleman is likewise aware of the fact that another, that other action has granted \$20 million for security for Kosovo, and with the KLA being in charge of the province, it raises questions as to whether or not that money would actually be for the security of the people there or would be to advance the interests of the KLA.

So I thank the gentleman for expressing his concern that was raised by the gentleman from Florida (Mr. STEARNS), and I appreciate the gentleman's sentiments.

ORGANIZED CRIME GANGS RULE KOSOVO

(By Laura Rozen)

Around 30 people a week are being killed in Kosovo as organized gangs take advantage of the U.N.'s failure to police the province.

Nato spokesman Jamie Shea admitted yesterday a "law and order vacuum" has been created by a long delay in deploying U.N. civil administrators and an expected 3,000-strong police force. But he insisted the war-torn province was not yet out of control.

Western diplomats in Pristina say gangs, some of which are suspected of having links to the Kosovo Liberation Army, are taking apartments, real estate, businesses, fuel supplies and cars from Kosovo Albanians and Serbs, who have little recourse to justice.

A British K-For official in Pristina said: "UNMIK (the U.N. interim administration) is unprepared to take over law and order. In the absence of police and legitimate rules, a vacuum has occurred.

"That vacuum is being filled by organized crime. Albanian gangs are inviting Kosovo Serbs to leave their apartments. Now Kosovo Albanians are being invited to leave."

Because so many Kosovo Albanians had identity documents and license plates seized

by Serb forces, and because there are now no border controls, many gangs are moving in unhampered by the 37,000 K-For soldiers.

While the U.N. plans to deploy 3,125 international police, only 400 have arrived. The police commander has decided not to put troops into active service until he has enough to patrol entire areas. Currently, the commander says, his most urgent need is for border police to keep out more gangs and smugglers.

The German K-For commander, General Fritz von Koriff, said his soldiers stop cars to search for weapons and frequently come across smuggled items, such as massive amounts of cigarettes, particularly at the Morina-Kukes border crossing. But Nato's mandate does not permit his soldiers to confiscate any item except weapons, and the smugglers are permitted into Kosovo with their loot if it is believed they are from the province.

One of the biggest problems involves gangs showing up at homes to claim ownership and threatening to beat those who refuse to move out.

No statistics are available on the number of property seizures, but anecdotal evidence suggests a growing problem. And, while initially it seemed that seizures were ethnically motivated, and targeted at Kosovo Serbs in the capital Pristina, increasingly Kosovo Albanians are victims as well.

Kosovo's provisional prime minister, KLA leader Hashim Thaci, 31, denied his organization was behind seizures of Kosovo Serb apartments. "We have no such information. We know there are those who have left Kosovo, but we have not forced anybody to leave, or put pressure on them to leave. That is propaganda. Any one who has not committed crimes is free to live in Kosovo."

According to a U.N. police commander, who asked not to be identified, intelligence suggests there are three main types of organized criminal gangs in Kosovo: Russian, Albanian, and those linked to the KLA. Some analysts suggest that the seized apartments and other looted goods are the KLA's way of paying debts to arms procurers, funders and important soldiers and their relatives.

U.N. officials deny the organization's slowness is responsible for Kosovo's growing crime problem. One senior U.N. commander said, unlike K-For, which has been preparing for a Kosovo mission since February, the U.N. wasn't told it was to take over civilian operations in Kosovo until June.

An American involved in the international police force warned that by the time the U.N. police are deployed, criminal gangs will already have their networks set up, and will be as much a menace for Kosovo's Albanian population as they are for the Serbs.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I wish to associate myself with my colleagues' remarks, and I look forward to working with them to press upon the administration the concerns that were expressed here by the gentleman from Florida (Mr. STEARNS) and the gentleman from Ohio (Mr. KUCINICH), and I commend them for their leadership on this issue.

Mr. CALLAHAN. Mr. Chairman, to further comment, too, on my comments, as my colleagues know, I have a friend who is from greater Serbia. He now lives in French Guyana. His name is Mr. Nalvik, and Mr. Nalvik has kept

me posted throughout this entire encounter on the feelings of a lot of Serbian people which are diametrically opposed to Mr. Milosevic. So we do have some people in Serbia who deserve some attention, some respect because they did not agree with Mr. Milosevic, but in any event the gentleman's point is taken. I hope he will withdraw it, and if so, I will remove my point of order.

Mr. STEARNS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the distinguished gentleman from Alabama, and I will withdraw it. I just would like to make a final argument here.

I think the gentleman has touched upon it, and my good colleague from Ohio has touched upon it when he mentions the word "accountability." We need to take taxpayers' money and help people; I understand that. But in the overall understanding of this project, we need to have accountability for the taxpayers' money, how it is being spent.

So with that in mind, and I am hopeful that the chairman will consider part of what I have in report language, if not at least to make the attempt to tell the administration that money will not be given, taxpayers' money will not be given until there is full accountability in this case and that we have balance and fairness.

Mr. CALLAHAN. Before, Mr. Chairman, I had forgotten I told the gentleman from Massachusetts that I would yield to him. Whatever time remaining I have on my point of order, I yield to the gentleman from Massachusetts (Mr. OLVER).

The CHAIRMAN. The gentleman from Massachusetts (Mr. OLVER) is recognized for 2 minutes.

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding this time to me, and I also would like to associate myself with the comments that have been made by the distinguished chairman of the subcommittee. There is no question that there is no shortage of hatred in Kosovo these days, and I would just point out that the first sizable delegation of Members of the Congress was led by the gentleman from Ohio, the chairman of the Subcommittee on Military Construction, of which I serve as the ranking member; and we saw the attempt on the part of American forces there, having detained some 10 or so Serbian Kosovars and some, almost 30, Albanian Kosovars for a variety of actions, but there are no courts in Kosovo to send those actions to, actions of looting and arson and, in fact, murder.

In this particular instance, the 14 Serbian farmers, and one can surely not condone that kind of activity, already three people have been arrested for that. On the other hand, there have been no arrests and may well never be. In fact, the perpetrators out of the Yugoslavian armed forces are probably quite free and among the elite of the military in Belgrade at this time for

the atrocities; and I could go into a list of them, one after another, the atrocities of 30 and 40 and 50 people who had been killed and burned, hacked apart by machete attack, small children, children as young as 2 years shot in the head, along with aged people thrown into a well along with cows and rocks and so forth as part of the atrocities that were perpetrated there. So there is no shortage of atrocities, but we cannot condone those activities, and I thank the gentleman for withdrawing his amendment.

Mr. STEARNS. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Florida (Mr. STEARNS) is withdrawn.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

Page 116, after line 5, insert the following:
SENSE OF THE CONGRESS RELATING TO RESOLUTION OF THE CONFLICT BETWEEN ERITREA AND ETHIOPIA

SEC. _____. The Congress—

(1) expresses its satisfaction with the decision of President Isaias of the State of Eritrea and Prime Minister Meles of the Federal Democratic Republic of Ethiopia to agree to the Organization of African Unity (OAU) framework in settling the border dispute between Eritrea and Ethiopia and to enter into proximity talks in Algeria for implementing a cease-fire between the two countries;

(2) encourages the completion of the modality talks between Eritrea and Ethiopia as quickly as possible and encourages the two countries not to renew hostilities;

(3) appreciates the de facto cease-fire agreed to by Eritrea and Ethiopia;

(4) appreciates the efforts of the Organization of African Unity and the Government of Algeria for aiding in the negotiations between Eritrea and Ethiopia; and

(5) in order to more firmly move Eritrea and Ethiopia toward a resolution of the conflict between the two countries, expresses its intent to reconsider its position with respect to Eritrea and Ethiopia if there is a resumption of hostilities between the two countries.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

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Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, just a few minutes ago I rose in opposition to the Burton amendment regarding cutting funds to

India. Part of my reasoning for such strong opposition was to encourage opportunities for peace and the resolution of the conflict and to encourage India to engage in efforts to resolve the tragic conflict and to support India in that effort.

I now rise to express that same kind of support for the terrible tragedy that is occurring in Eritrea and Ethiopia. I rise with a sense of Congress to encourage a peaceful resolution of Eritrea and the Ethiopian conflict and to offer this amendment to acknowledge that there has been progress.

Currently negotiations are being conducted by the State of Eritrea and the Federal Democratic Republic of Ethiopia. These negotiations are in response to their governments' acceptance of the OAU framework, the Organization of African unity framework, to settle the dispute between these two critical on the Horn of Africa.

Our colleague, Mickey Leland, some 10 years ago was continuing to go back and forth to Ethiopia because of the tragedy of the famine. In a few days, it will be 10 years when we lost Mickey Leland in Ethiopia on a humanitarian mission.

I know that his continued efforts there were to ensure that Ethiopia would be a strong nation, peaceful nation, and a friend of the United States.

Now we have an opportunity to encourage Ethiopia and Eritrea to correct and resolve this latest conflict, and I applaud them for agreeing to engage in peace negotiations. The commitment the Prime Minister of Ethiopia and the President of Eritrea to move forward and give their people peace and tranquility should be applauded. The Ethiopia-Eritrea conflict has substantially damaged the economic growth and development of the countries and has led to humanitarian suffering on both sides of the border.

For 30 years, a problem dividing Ethiopia and Eritrea was Eritrea's claim that its people have a right to self-determination. In 1991, this long and costly struggle ended through a coalition built to topple the Ethiopian dictatorship that was not acceptable to either country. For 7 years of peace, both neighbors pursued paths of economic and social development to give rise to the very idea of renaissance, establishing a path to economic growth and a better quality of life for the people.

The border dispute that ignited hostilities has smothered any confidence that things would be really better. The war has taken a vicious toll on the people in the countries. The number of casualties are almost surreal. We have seen reports of over 18,000 victims within 3 or 4 days of fighting. Individual border battles have involved over 90,000 soldiers fighting from various fronts. In Eritrea the army is estimated to be over 250,000 soldiers, men and women, a huge drain on a population of 3.5 people.

That is why I brought to the attention of this Congress my desire for a

sense of Congress to acknowledge the movement, the progress, that has been made, the fact that the OAU agreement has been accepted or at least has been moved on and as well that there are efforts toward trying to resolve this.

Mr. GILMAN. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from New York, the Chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I share the gentlewoman's concerns that Ethiopia and Eritrea, two fine countries that have already suffered too many years of communist dictatorship, have spent 14 months at war with one another, and the loss has been tragic. We are hopeful now that there is a cease-fire, that they will implement the cease-fire and return to peace. I want to commend the gentlewoman for focusing attention on the cease-fire that is under way.

Ms. PELOSI. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I thank the gentlewoman for yielding me time.

Mr. Chairman, I know that the distinguished chairman of our committee will be calling for a point of order on this sense of the Congress motion, but I did want to take a half a moment to join her in commanding our former colleague here, Mickey Leland. When the gentlewoman mentioned that it is 10 years, it seems impossible, but indeed it was 1989. I was with my family in Cairo when we got the bad news. We were all going to join Mickey in Nairobi when he left Ethiopia. Of course, he invited everyone to go to Ethiopia with him.

Fortunately for everyone else, he did not have a large enough plane for everyone. Maybe if he had a larger plane, he would still be with us. Every day I remember him, because his picture is on the wall of my office, holding a baby, that beautiful picture of Mickey Leland. He was there, not helping countries, but helping people.

I am particularly pleased that the gentlewoman at least has us focused on peace in that region because that is what we should be working toward. Once again, I commend the gentlewoman for calling the Congress' attention to this important region of the world.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I share the gentlewoman's concern about the war in Ethiopia and Eritrea, and I too am optimistic that the war between these two nations will soon be ending. I remind Members that bin Laden has long utilized Sudan as a terrorist training ground. In fact, Sudan served as a safe-harbor for the bin Laden terrorists who blew up the U.S. embassies in Tanzania and in Kenya. But I sincerely hope that the gentlewoman would withdraw her amend-

ment. I do not want to insist on my point of order, but I must insist if the gentlewoman does not choose to withdraw it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. If the chairman would allow me just to summarize, then I would like to ask unanimous consent upon my summary to withdraw this amendment.

I appreciate very much the chairman of the Committee, the chairman of the Committee on International Relations and their ranking members for their kind words and agreement with me on the importance of this issue.

Let me close by simply saying that we have at least the makings of the potential of an opportunity for peace. The de facto cease-fire and the work of the government of Algeria in aiding the negotiations between Eritrea and Ethiopia should also be recognized, and hopefully the Congress will continue to monitor this circumstance to avoid the loss of life and certainly in tribute to my predecessor, Mickey Leland and his love for Ethiopia and love for mankind we can monitor the circumstances there.

Mr. GILMAN. Mr. Chairman, I share the gentlewoman's concerns that Ethiopia and Eritrea, two fine countries that have already suffered many years of communist dictatorship, have spent 14 months at war with one another.

I am very hopeful that they will implement the ceasefire and return to peace.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

AMENDMENT NO. 9 OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. PAUL:

At the end of the bill, insert after the last section (preceding the short title) the following:

LIMITATION ON FUNDS FOR ABORTION, FAMILY PLANNING, OR POPULATION CONTROL EFFORTS

SEC. . None of the funds appropriated or otherwise made available by this Act may be made available for—

(1) population control or population planning programs;
(2) family planning activities; or
(3) abortion procedures.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Texas (Mr. PAUL) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Alabama will control the time in opposition to the amendment.

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent to transfer my 5 minutes to the gentlewoman from California (Ms. PELOSI), and that she may yield said time.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

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

Mr. PAUL. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the amendment is straightforward. It prohibits the use of any money for population control, family planning, or abortion of any funds authorized in this bill, appropriated in this bill.

Mr. Chairman, the question really is this: Should the American taxpayer be required to pay for birth control pills, IUDs, Depo-Provera, Norplant, condom distribution, as well as abortion in foreign countries. Those who believe this is a proper and legitimate function will vote against the amendment. Those who believe that it is not a proper function for us to be doing these things around the world would vote for my amendment.

Mr. Chairman, I mention abortion because although this bill does not authorize funds directly for abortion, any birth control center that is involved that receives funds from us and are involved with abortion, all they do is shift the funds. All funds are fungible, so any country that we give money to that is involved with abortion, for whatever reason, or especially in a family planning clinic, can very easily shift those funds and perform abortions. So this is very, very clear-cut.

I would like to spend a minute though on the authority that is cited for doing such a thing. Under the House rules, the committee is required to at least cite the constitutional authority for doing what we do on each of our bills. Of course, I was curious about this, because I was wondering whether this could be general welfare. This does not sound like the general welfare of the U.S. taxpayer, to be passing out condoms and birth control pills and forcing our will on other people, imposing our standards on them and forcing our taxpayers to pay. That does not seem to have anything to do whatsoever with the general welfare of this country.

Of course, the other clause that is generally used in our legislation is the interstate commerce clause. Well, it would be pretty tough, pretty tough, justifying passing out condoms in the various countries of the world under the interstate commerce clause.

So it was very interesting to read exactly what the justification is. The Committee on Appropriations, quoting from the committee report, the Committee on Appropriations bases its authority to report this legislation from

clause 7, section 9 of Article I of the Constitution of the United States of America, which states "no money shall be drawn from the Treasury but in consequence of appropriation made by law." "Appropriations contained in this act," the report says, "are made pursuant to this specific power granted by the Constitution."

That is not a power. That was a prohibition. It was to keep us from spending money without appropriation. If this is true, we can spend money on anything in the world, and the Constitution has zero meaning. This cannot possibly be.

So all I would suggest is this: Be a little more creative when we talk about the Constitution. There must be a more creative explanation on why we are spending these kinds of monies overseas.

Ms. PELOSI. Mr. Chairman, who has the right to close?

The CHAIRMAN. The gentlewoman from California (Ms. PELOSI), defending the position of the committee.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in very strong opposition to the Paul amendment, and it is not even reluctantly. It is with grave disappointment, frankly, that this amendment is even being proposed, though I respect the gentleman's right to do so, and I respect the gentleman.

If this Paul amendment would be enacted, it would cause deaths and suffering for millions of women and children. I say that without any fear of contradiction.

Of course, we all want to reduce the number of abortions performed throughout the world, and the best way to do that is to promote family planning. It seems hard to believe that the gentleman would stand up and say he does not know why it is in our national interests that we improve the plight of children, poor children and families throughout the world by allowing them the opportunity to make decisions for themselves about the timing and the number of children that a family would have, or that the impact that this has on women, alleviating poverty, raising the literacy rate, and, again, giving more empowerment to women by having them control their own destinies.

The issue of population, certainly we understand that our world's resources are finite. I think that most would agree that it is in our interests as well as the interests of every person living on this Earth that we husband our resources very carefully, and that includes curbing uncontrolled population growth. I say that as one who does not support any forced measures in that end, but voluntary efforts to that end.

This amendment would close the most effective avenue to preventing abortions. The gentleman says that well, if we spend this money, then the organizations that use this money but also perform abortions have this underwriting, or the money is fungible, and, therefore, we are supporting abortions.

I think the gentleman knows full well that no funds may be used for abortion procedures. That is the law of the land. We reiterate it every time we have a discussion on this subject. If you are going to apply fungibility, you would have to apply it to everything we do here. I do not know why all of a sudden when it comes to international family planning, fungibility becomes a principle, but when we are dealing with the defense bill or any other appropriations, we never say that giving money for this, that or the other purpose helps that country underwrite some practices that we might not approve of.

The amendment would end a more than 30-year-old program recognized as one of the most successful components of U.S. foreign assistance. Tens of millions of couples, Mr. Chairman, in the developing world are using family planning as a direct result of this program, and the average number of children per family has declined more than one-third since the 1960's.

Three out of four Americans surveyed in 1995 wanted to increase or maintain spending on family planning for poor countries. I was, this year, in India and saw what happened in those states where there was effective family planning as opposed to what was the plight of the people in areas where the women did not have access to this family planning information.

So I believe that this amendment would be contrary to the interests and values of the vast majority of the people in the world, and certainly, speaking in our own terms, of the American people. In February 1997, both the House and the Senate showed their commitment to the USAID International Family Planning Program by voting for the early release of funds specifically for this program.

□ 2230

We had to have a vote at that time.

Mr. Chairman, I see some of my colleagues on their feet, and I am pleased to yield to the distinguished gentleman from New York (Mr. GILMAN), chairman of the authorizing committee, the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I want to associate myself with the remarks of the gentlewoman from California (Ms. PELOSI). Population control, population planning is so important today. That is the next crisis that we are to be confronted with. The growth of populations around the world are going to lead to hunger in impoverished areas. And where we have hunger and poverty, we soon have hostility.

The best way to prevent that is to help with family planning and with population control. And I thank the gentlewoman for her arguments in opposition to this amendment.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, it is my duty in this House as chairman of

this subcommittee to draft a bill. And in order to draft a bill, I have to depend upon a very able staff which really did the drafting of this 119 pages of law that hopefully will be passed tomorrow morning.

But upon my instruction, I would like to reiterate, and I know the gentleman from Texas (Mr. PAUL) has already brought it out, but since I am responsible for writing this bill, the bill says that none of the funds made available under this heading may be used to pay for the performance of abortions as a method of family planning.

So I just wanted to make perfectly clear my position as the author of this bill with respect to abortions.

Ms. PELOSI. Mr. Chairman, reclaiming my time, the gentleman's position on this is well-known.

Mr. PAUL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentlewoman makes the point that we should not use the abortion issue to talk about fungibility and I believe that she is correct. I think it should apply to everything. This is the reason I do strongly oppose Export-Import Bank money going to Red China. Their violations of civil liberties and abortions are good reasons why we should not do it, and yet they are the greatest recipient of our foreign aid from the Exim Bank. \$5.9 billion they have received over the years.

So I would say, yes, the gentlewoman is correct. All of these programs are fungible. And I agree that the wording in the bill says that our funds cannot be used. But when we put our funds in with other funds, all of the sudden they are in a pool and they can shift them around and there is a real thing called fungibility.

So once we send money to a country for any reason, we endorse what they do. Therefore, we should be rather cautious. As a matter of fact, if we were cautious enough we would not be in the business of taking money at the point of a gun from our American taxpayer, doing things that they find abhorrent around the world and imposing our will and our standards on them.

Mr. Chairman, birth control methods are not perfectly safe. As a gynecologist, I have seen severe complications from the use of IUDs and Depo-Provera and Norplant. Women can have strokes with birth control pill. These are not benign.

And my colleagues say we want to stop the killing and abortions, but every time that the abortion is done with fungible funds, it is killing a human being, an innocent human being. So for very real reasons, if we were serious about stopping this and protecting the American taxpayer, there is nothing wrong with some of these goals. I agree. As a gynecologist, I would agree with the goals, but they should not be done through coercion. They should be done through voluntary means through churches and charities. That is the way it should be done.

Mr. Chairman, we do not have the authority to coerce our people to work hard, pay their taxes, and then take the money into foreign countries and impose our will on them.

The CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 263, further proceedings on the amendment offered by the gentleman from Texas (Mr. PAUL) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

The amendment offered by Ms. JACKSON-LEE of Texas:

Page 116, after line 5, insert the following:

SEC. _____. (a) Of the amounts made available in title III under the account "INTERNATIONAL MILITARY EDUCATION AND TRAINING", \$4,000,000 made available for the United States Army School of the Americas is transferred as follows:

(1) \$2,000,000 is transferred to the account "ECONOMIC SUPPORT FUND" in title II and made available for providing training and education of Tibetans in democracy activities and for monitoring the human rights situation in Tibet.

(2) \$2,000,000 is transferred to the account "UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND" in title II and made available for the Tibetan refugee program.

(b) Of the funds appropriated in this Act in title II under the account "ECONOMIC SUPPORT FUND", not less than \$2,250,000 shall be made available for providing training and education of Tibetans in democracy activities and for monitoring the human rights situation in Tibet.

The CHAIRMAN. The gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order against the amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in actuality I wish I did not have to rise to the floor to offer this amendment. I wish that Tibet was living in peace and harmony. I wish the Dalai Lama who is in exile, who I had an opportunity to meet and discuss these issues with, was free to go back to Tibet.

My amendment offers to provide \$4 million to the Economic Support Fund to provide training and education of

Tibetans in democracy activities and for monitoring the human rights situation in Tibet made worse by the activities of China. In addition, we would offer additional funds to be of assistance to the Tibetan refugee program.

Mr. Chairman, there is a need for something to be done. As we recently remembered the 10th anniversary of the Tiananmen Square tragedy, we continue to acknowledge the human rights abuses imposed by the Chinese government. Whether on the mainland or other areas, the Chinese have shown themselves to be opposed to the basic human rights principles we all aspire to achieve.

The Chinese have tripled their missile threat to Taiwan. China does not understand they cannot force a free and democratic Taiwan to unify and that they should accept its existence.

We still watch as China continues its occupation of Tibet. Since 1951, when the People's Republic of China invaded Tibet, hundreds of thousands of Tibetans have been killed outright or have died as a result of aggression, torture or starvation. Over 6,000 monasteries and temples have been destroyed. China has implemented a consistent pattern of suppression in an attempt to eradicate the Tibetan culture.

The continued population transfer of Chinese to Tibet threatens the existence of the unique national, cultural, and religious identity of the Tibetan people. The fragile Tibetan plateau is seriously threatened by the exploitation of its environmental resources by China.

The Tibetan people have demonstrated repeatedly for independence from China. Their struggle is non-violent and worthy of special attention. It is important to provide funding to encourage them in their efforts, encourage them in democracy, encourage them in being able to monitor the various human rights abuses.

Indeed, when in 1989 the Dalai Lama, leader of the Tibetan people, received the Nobel peace prize, the international community documented its commitment to free Tibet. There are 110,000 Tibetan refugees living in 53 settlements in India, Nepal and Bhutan. Over 1.2 million Tibetans have died in a widespread program of imprisonment, torture and executions orchestrated by China. Tibet's unique culture and Buddhist religion have been systematically suppressed as China has looted Tibet's enormous mineral wealth, natural resources, and priceless art treasures, transporting them back to China to fuel its own economic growth.

Mr. Chairman, I would like to congratulate the Committee on International Relations for its removal of \$8 million from the World Bank to avoid this so-called apartheid system where there was a movement of 50,000 Chinese farmers into Tibet creating almost an apartheid system where the Tibetans would not have the good jobs or opportunities, but the Chinese would.

Coercive birth control policies, including forced abortion and steriliza-

tion, are continuing to wipe out the Tibetan people. It is important that the children be foremost in our focus on peaceful efforts to return Tibet to its people and to bring the Dalai Lama home.

I rise Mr. Chairman to offer an amendment which will take \$4 million out of the fund which contains the Foreign Ops funding for the School of the Americans, and redistribute it to the Economic Support Fund and the Emergency Refugee and Migrations Assistance Funds for specific use in Tibet.

As we recently remembered the 10th anniversary of the Tiananmen Square tragedy we continue to acknowledge the human rights abuses imposed upon the people by the Chinese government. Whether on the mainland or in other areas, the Chinese have shown themselves to be opposed to the basic human rights principles we all aspire to achieve.

The Chinese have tripled their missile threat to Taiwan. China does not understand they cannot force a free and democratic Taiwan to unify and that they should accept Taiwan as a friendly and independent neighbor and establish diplomatic ties.

And we all still watch as China continues its occupation of Tibet. Since 1951, when the People's Republic of China invaded Tibet hundreds of thousands of Tibetans have been killed outright or died as the result of aggression, torture or starvation. Over 6,000 monasteries and temples have been destroyed. China has implemented a consistent pattern of suppression in an attempt to eradicate the Tibetan religion and culture.

The continued population transfer of Chinese to Tibet threatens the existence of the unique national, cultural and religious identity of the Tibetan people.

The fragile Tibetan plateau is seriously threatened by the exploitation of its environmental resources by China.

The Tibetan people have demonstrated repeatedly for independence from China. Their struggle is nonviolent and worthy of special attention. Indeed, when in 1989, the Dalai Lama, the leader of the Tibetan people, received the Nobel Peace Prize the international community documented its commitment to a free Tibet.

There are about 110,000 Tibetan refugees living in 53 settlements in India, Nepal and Bhutan. Over 1.2 million Tibetans have died in a widespread program of imprisonment, torture and executions orchestrated by China.

Tibet's unique culture and Buddhist religion have been systematically suppressed as China has looted Tibet's enormous mineral wealth, natural resources and priceless art treasures, transporting them back to China to fuel its own economic growth.

An apartheid system is in place, following the mass migration of Chinese into Tibet. These immigrants now dominate the economy and hold all the best jobs. Employment prospects for Tibetans are virtually nonexistent.

Coercive birth control policies, including enforced abortion and sterilization, are completing the policies of wiping out Tibet's identity forever. We watch China, the world's most oppressive police state, control Tibet. There are between a quarter and half a million Chinese troops in Tibet. China permits no news media in Tibet. Amnesty International and foreign diplomats are refused permission to visit. Tibetans in Tibet are liable to interrogation, imprisonment and torture for having unofficial contact with foreigners.

Tibet covers an area the size of Western Europe and is the world's highest plateaus. The Culture is magnificent and unique. Until 1950, Tibet had retained that ancient culture.

My amendment would offer additional hope to the Tibetan people that the international community, particularly the United States is supportive of their independence and that we are providing resources for improved systems and enhancement of aid programs.

The United States Army School of the Americas will have \$4 million of its appropriations transferred to a true democratic cause. Our efforts to provide international military training and education to the armed forces in Latin America has at best led to questionable practices by its graduates. We want democracy. We want to see our funds used to support the development of democracies. The Tibetans want democracy. Some graduates of the School of the Americas have not demonstrated such a commitment.

Graduates of the United States Army School of the Americas include some of the worst human rights abusers in the Western Hemisphere, including 19 Salvadoran soldiers linked to the 1989 murder of six Jesuit priests and their housekeeper and her daughter. Two of the three officers cited by the Guatemalan archbishop's office are suspected of the killing of anthropologist Myrna Mack in 1992, as well as three top leaders of the notorious Guatemalan military intelligence unit D-2 were graduates of the School of the Americas.

One-half of the 247 Colombian army officers cited in the definitive work on Colombian human rights abuses, *El Terrorismo de Estado en Colombia*, in 1992 were graduates of this School.

Ten of the 30 Chilean officers against whom a Spanish judge in 1998 requested indictments for crimes of terrorism, torture and disappearance as well as the *El Salvador* death squad leader Roberto D'Aubuisson graduated from the School of the Americas.

Two of the three killers of Archbishop Oscar Romero of *El Salvador* and 10 of the 12 officers responsible for the murder of 900 civilians in the *El Salvadoran* village *El Mozote* are graduates.

And the most notorious for us, three of the five officers involved in the 1980 rape and murder of four United States churchwomen in *El Salvador* graduated from the School of the Americas.

Reducing funding for this School does not prevent the United States from providing appropriate training for military personnel of Latin American armed forces. It is conceivable that by our actions a better military training and education program can be developed. With a most improved screening process for potential students.

I urge you to support my amendment for democracy.

Mr. Chairman, I yield to the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, the gentlewoman from Texas (Ms. JACKSON-LEE) has done an outstanding job of focussing attention on the violations by the People's Republic of China with regard to the Tibetan people. We cannot give enough attention to the occupation of the People's Republic of China in Tibet and we welcome the gentlewoman's remarks.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I would point out that on page 39 of the committee report, we recommend that \$250,000 be made available for democracy training and education activities for Tibetans. In addition, on page 55 of the report, we recommend \$2 million for continued humanitarian assistance for the Tibetan refugees.

So the committee has already addressed the concerns of the gentlewoman from Texas. We do not earmark, as she well knows, in our bill. This amendment would earmark and, therefore, I must continue to, number one, reserve my point of order.

Mr. CALLAHAN. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Alabama (Mr. Callahan) is recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, the gentlewoman from Texas (Ms. JACKSON-LEE) I commend for bringing the plight of Tibet to the attention once again of our colleagues. The gentleman from Alabama (Mr. CALLAHAN), our distinguished chairman, has been most cooperative on this issue of Tibet. It is a priority for many of us on the committee. And, of course, the gentleman from New York (Mr. GILMAN), chairman of the authorizing committee, has been a champion on the Tibet issue for a long time.

But as the gentleman from Alabama said, the funds are in the bill already because this is a priority. The plight of the people of Tibet challenges the conscience of the world and by and large the world ignores their plight. Our bill does not, and the more attention we can call, the better.

Mr. Chairman, even though this may not be able to be received by the full House this evening, nonetheless, the bright light that the gentlewoman focuses on Tibet once again is appreciated and will contribute to freedom there one day.

Mr. CALLAHAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would like to conclude by simply thanking both the ranking member and the chairman for the efforts that have been made in the Subcommittee on Foreign Operations, Export Financing and Related Programs, as well as that of the chairman of the Committee on International Relations. My effort tonight was to provide more resources because of the horrific situation in Tibet. The abuse of human rights and the exile of the Dalai Lama.

I would like to continue to work with all of the committees and as well the

chairman, ranking member of the subcommittee and the Chairman of the Committee on International Relations as we try to bring peace and dignity to the Tibetan people.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PAUL:

Page 116, after line 5, insert the following:

LIMITATION ON FUNDS FOR EXPORT-IMPORT BANK OF THE UNITED STATES, OVERSEAS PRIVATE INVESTMENT CORPORATION, AND THE TRADE AND DEVELOPMENT AGENCY

SEC. . None of the funds made available pursuant to this Act for the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the Trade and Development Agency, may be used to enter into any new obligation, guarantee, or agreement on or after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 29, 1999, the gentleman from Texas (Mr. PAUL) and the gentleman from Alabama (Mr. CALLAHAN) each will control 5 minutes.

The gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

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

Mr. PAUL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment provides that no funds for new obligations, guarantees, or agreements can be issued under the Export-Import Bank under OPIC or under the Trade Development Agency. This again is an attempt to try to slow up the amount of dollars that flow into corporations and for their benefit specifically as well as our foreign competitors.

China, for instance, receives the largest amount of money from the Export-Import Bank. Outstanding liabilities for the Export-Import Bank is now \$55 billion. There is \$5.9 billion that have been granted to the Chinese.

Last week we had a very important vote on trade. It was hotly debated over human rights issues. I voted to trade with China because I believe it is proper to trade with people. We are less likely to fight with them. And in this institution, too often we use our terms carelessly and we talk about free trade as being something which is managed trade. Free trade here generally means that we will have the NAFTA people managing trade, the World Trade Organization managing trade, and we will subsidize our businesses.

Just this past week we had the World Trade Organization rule against us saying that we grant \$2 billion worth of

tax benefits to our own corporations and they ruled that that was illegal. This is all done in the name of free trade.

I say that we should have free trade. We should trade with our friends and with anybody who would trade that we are not at war with. We should really, really be careful about issuing sanctions. But here we are, last week we had the great debate and a lot of people could not stand the idea of trading with Red China because of their human rights record and I understand that, although I did not accept that position. But this is the time to do something about it.

Trading with Red China under true free trade is a benefit to both of us. It is a benefit to our consumers and it benefits both countries because we are talking with people and we are not fighting with them. But it gets to be a serious problem when we tax our people in order to benefit those who are receiving the goods overseas.

□ 2245

Now, if there is a worldwide downturn, this \$55 billion of liabilities out there could be very significant in how it is going to be paid back. The Chinese right now, their economy is not all that healthy. They are talking about a devaluation.

So this is a liability that the American taxpayers are exposed to. If we do have a concern about Red China and the Chinese, yes, let us work with them, let us trade with them, but let us not subsidize them.

This is what I am trying to do. I am trying to stop this type of subsidies. So my bill, my amendment would stop any new obligation. It does not close down Export-Import Bank. It allows all the old loans to operate and function, but no new obligations can be made, no new guarantees, and no agreement, with the idea that someday we may truly move to free trade, that we do not recognize free trade as being subsidized trade as well as internationally managed trade with organizations such as NAFTA and World Trade Organization.

Those institutions are not free trade institutions. They are managed trade institutions for the benefit of special interests. That is what this type of funding is for is for the benefit of special interests, whether it is our domestic corporation, which, indeed, I would recognize does receive some benefit.

Sixty-seven percent of all the funding of the Export-Import Bank goes to, not a large number of companies, to five companies. I will bet my colleagues, if they look at those five companies in this country that gets 67 percent of the benefit and look at their political action records, my colleagues might be enlightened. I mean, I bet my colleagues we would learn something about where that money goes, because they are big corporations and they benefit, and they will have their defenders here.

It is time we look carefully at these subsidies.

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I rise in opposition to the amendment. In doing so, I want to correct the record. Those of us who were asking for raising tariffs on products coming from China were not interested in cutting off trade with China. What we were doing is to say, let us have the same reciprocity between our two countries as we would expect from other countries.

But then to use that and say it is all right to give a \$70 billion trade surplus to the regime so they can strengthen their hold on the people of China but we should take out our concerns with China on the Ex-Im Bank I think is very inappropriate. That is why I oppose it.

The Ex-Im Bank does not subsidize the Chinese government. The Ex-Im Bank subsidizes U.S. manufacturers selling into countries, including China.

The Paul amendment would not allow the Export-Import Bank to assume any new business. This would mean that all of the Ex-Im's resources would be used to liquidate existing transactions. In other words, Ex-Im would slowly, gradually shut down.

I agree with the gentleman that we must subject the Ex-Im, OPIC, and all of these institutions to harsh scrutiny. Are they performing the task that is their established purpose, to promote U.S. exports? The Ex-Im Bank, I think, from the scrutiny we subjected to in our committee does that.

The gentleman's amendment is ill-advised. The same would apply to OPIC, which, by the way, does not operate in China.

So I urge our colleagues to oppose this amendment for many more reasons than I have time to go into.

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

Mr. Chairman, we have already discussed the impact of the closing down of OPIC earlier tonight, and my colleagues can see that the will of the House certainly agreed with those of us who think that we must have this competitive level playing field with the rest of the G-7 Nations.

The gentleman from Texas (Mr. PAUL) is absolutely right when it comes to basic sounding good things, a feel-good amendment, when he talks about Ex-Im Bank giving money to Red China. Ex-Im Bank does not give money to Red China. Ex-Im Bank loans money to American businesses to establish programs in Red China. There is no prohibition against Red China coming to the United States to invest with the support of a similar organization in China.

What we are saying is we want to be just like the rest of the world when it comes to global economy. This is a global economy. The only way our peo-

ple can participate in global economy is to have the same advantages as do Canada, as do Japan, as do Germany, as do France. We need this in order to work today in a global economy.

So we are not talking about losing money. That is not the question here. Ex-Im bank is not losing money. We are talking about whether or not we are going to have a financing capability that will enable American jobs to be exported to all of the countries that the gentleman from Texas mentioned.

So, Mr. Chairman, I think it is the same debate that we had on OPIC except this one is twice as bad because, also, he closes down the Ex-Im Bank as well and cuts off the ability of American business people to do business in most any foreign country.

I urge opposition to the amendment.

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

Mr. PAUL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to point out that it is truly a subsidy to a foreign corporation, a foreign government. For Red China, corporations and governments are essentially identical. They are not really quite in the free market yet.

But the gentleman from Alabama (Mr. CALLAHAN) points out that, no, that is not true. The money does not go to Red China and they buy things; we just give it directly. We do not even send it round trip. This is true.

We take taxpayers' money. We take taxpayers' guarantee. We give them to those huge five corporations that do 67 percent of the business. We give them the money. But where do the goods go? Do the goods go to the American taxpayers? No. They get all of the liabilities. The subsidies help the Chinese.

So, technically, yes, we do not send the money there. But who is going to pay it back? The Chinese pays the loan back. If they default, who pays the bill if the Chinese defaults? Who pays the bill if they default? It is obviously the taxpayers.

What I am pointing out is that \$5.9 billion that the Chinese now had borrowed from us, from the Export-Import Bank, is a significant obligation that, too, is on the backs of the American taxpayer.

So I urge support for the amendment because, if we are serious about free trade, just please do not call it free trade anymore. Call it managed trade. Call it subsidized trade. Call it special interest trade. But please do not call it free trade anymore, because it is not free trade.

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

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

In closing, Mr. Chairman, I would just like to say that the \$16 million, or whatever figure he is using that goes to China, goes in the form of things like airplane. Yes, a lot of it goes to Boeing,

which is a huge corporation. But the benefit that the American taxpayers receive are the thousands of jobs that Boeing provides in order to export this plane to China who pays for it. If indeed there was some problem, we can always go and get the airplanes back.

It is not like we are giving something away. We are creating jobs. I might tell my colleagues that many of those Boeing jobs are located in the State of Alabama.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 263, further proceedings on the amendment offered by the gentleman from Texas (Mr. PAUL) will be postponed.

Mr. DAVIS of Illinois. Mr. Chairman, I rise in support of the Payne amendment.

Mr. Chairman, the UN World Food Program (WFP) last Tuesday expressed fears of a "worsening humanitarian crisis" in southern Sudan, resulting from the inability to transport food to those who need it. This ban has made most of the region inaccessible to relief agencies trying to deliver urgent humanitarian assistance to some 150,000 people.

Mr. Chairman, the funds appropriated by this amendment which is more than \$4,000,000 will be used for rehabilitation and economic recovery in areas of Sudan which have endured many hardships due to their religious and political beliefs. These funds will help support education, crop growth and other needs necessary for the basic existence of these people.

Mr. Chairman, this is a humane, well thought out, gesture offered by the gentleman from New Jersey and I urge all Members to support this amendment.

Mr. CALLAHAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TANCREDO) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2606) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes, had come to no resolution thereon.

REPORT ON H.R. 2670, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

Mr. CALLAHAN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 106-283) on the bill (H.R. 2670) making appropria-

tions for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Under the rule, all points of order are reserved on the bill.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. ALLEN) is recognized for 5 minutes.

(Mr. ALLEN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

(Mrs. MORELLA addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. BRYANT) is recognized for 5 minutes.

(Mr. BRYANT addressed the House. His remarks will hereafter appear in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

(Mr. SHERMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

(Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. HASTINGS) is recognized for 5 minutes.

(Mr. HASTINGS of Florida addressed the House. His remarks will appear

hereafter in the Extensions of Remarks.)

\$800 BILLION TAX CUT, BUT NOT FOR THE MIDDLE OR LOWER CLASSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. OLVER) is recognized for 5 minutes.

Mr. OLVER. Mr. Speaker, I am sure that I am making friends with all of the members of the staff by taking 5 minutes at this hour, including the Speaker, but since I have stayed here this long, I will take the 5 minutes.

Mr. Speaker, we are told that this is the week that the main business is going to be, for this Congress, is the final passage of an \$800 billion tax cut.

The Republican leadership says that their tax cut, at least that one which passed the House of Representatives, is for the middle class. But I would like to raise that question. The bill which passed the House of Representatives about 2 weeks ago had the following features: the 1.25 million taxpayers representing the 1 percent wealthiest, richest portion of the population each, on average, got \$54,000 of tax reduction. Those are the 1 percent whose incomes is more than \$300,000 per year.

At the other end of the scale, starting from the bottom, from the lowest income person in this society issuing a tax return, if we took all 95 percent, starting from the lowest income and coming up to an income of \$125,000 a year, all 95 percent of that population, all 120 million would have received 39 percent of the total tax cut; whereas, the 1.25 million, the wealthiest 1.25 million, or 1 percent, would have received 45 percent of that total tax reduction. The 1 percent richest of Americans got more than all 95 percent of our population whose income is beneath 125,000.

If I may put that in a slightly different way, if those who may still be watching would consider 100 people, 100 people, one of whom has income over \$300,000 and consider that we might have \$100 of tax reduction to be able to distribute among those 100 people, that that one person whose income is greater than \$300,000 would get \$45 of the total of \$100 that is available for all tax reduction for all Americans.

□ 2300

Whereas 95 people, starting at the lowest income, up to the persons who might have \$125,000 of income, that group of 95 people would find that they were able to receive only a total of \$39 divided among the 95 of them.

Now, I do not know how many people would believe that that was a fair distribution that would suggest that this tax cut was for the middle class. That is hardly a middle class tax cut. In fact, it is designed to make the already rich a great deal richer. And that the middle class, those people between incomes of \$20,000 and perhaps \$80,000 per year, would receive \$1 or \$2 a day, hardly a middle class tax cut.

But that is only a small part of the story. The rest of the story is what the