

watching that speech on what proved to be the last night of Bob's life, but I hope he was. Because when the President recognized and lauded citizen involvement, he was saluting Bob Badgley and the kind of life he lived—and I know that would have made Badge smile.

These days, I know it has become fashionable to be cynical about politics and all things political; to be suspicious about the motives of anyone who would willingly involve themselves in the political process of our Nation. But Bob believed that if we want good government, we have to be willing to help bring it about. And he believed that we all have a responsibility to try. So Bob served as Chairman of the Ross County Democratic Party; he served on that county party's executive committee continuously since 1957, and at the time of his death, he had served 29 years on the Ross County Board of Elections.

Somehow, he also found time to run his own electronics and vending businesses, and to be active in the Ross County Senior Citizens Center and related community services. In fact, Badge devoted so much time to community service that he received the Humanitarian Award from the Chillicothe Businessmen's Association in 1973, and the Community Service Award from the Ohio Department of Aging in 1992—the only Ross countian ever to receive the latter award.

Mr. President, there is a little story I want to tell about Bob that happened recently. I had my family out at Vail, CO, for a skiing vacation over the holidays. We came back to Washington a couple of days before we were to go back in session in early January. I think we came back on New Year's day. On our telephone answering machine at home there was a recorded message left. It was from Bob Badgley to Annie and to me. He said that he and Jeanne, his wife, had just been sitting around talking about particular friends and what they meant, and he thought it was a good time to call and just tell us what it meant. And he did so on that recording, and it meant much to me and I made a little note and had a note on my desk to call him back. Because of duties here in the Senate, being so busy in the next few weeks or so, I had not called. The note is still over there on my desk for me to call Bob Badgley. So it was particularly poignant for me when I heard of his demise the other evening.

For all these reasons and more, Annie and I will miss Bob deeply. But we are grateful to have known him, and that the good Lord allowed Badge to touch our lives. And we hope that for his wife Jeanne—and for the entire Badgley family—it will be at least some consolation to know that Bob will live forever in our hearts and in our memories. In that most important sense, we will truly never lose, our Badge.

I yield the floor.

Mr. MOYNIHAN addressed the Chair. The PRESIDING OFFICER. The Senator from New York.

FREE TRADE WITH AN UNFREE SOCIETY

MEXICO AS A LENINIST STATE

Mr. MOYNIHAN. Mr. President, of the many novel ideas which we associate with the advent to office of Representative NEWT GINGRICH as Speaker of the House, none is more singular than his suggestion that we would all do well to read, or perhaps reread, "The Federalist." As a New Yorker, I much applaud the proposal, and would presume on the Senate's time to invoke that venerable tradition in the context of the current debate over the proposed United States guarantee of Mexican debt.

The most striking, at least to my mind, of those 85 essays by James Madison, Alexander Hamilton, and John Jay is the assertion that the proposed new Constitution was based on a "new science of politics." If I may cite a commentary of my own, written some years ago, the establishment of the American Government in the latter part of the 18th century took its foremost distinction from the belief of those involved that they were acting upon scientific principles. Hamilton noted, in the ninth "Federalist," that previous republics had had such stormy histories that republicanism had admittedly fallen somewhat into disrepute. This tendency could be overcome thanks to progress in political science:

The science of politics * * * like most other sciences, has received great improvement. The efficacy of various principles is now well understood, which were either not known at all, or imperfectly known to the ancient.

He went on to cite, as examples of new discoveries, the various constitutional provisions with which we are now familiar, separation of powers, the system of checks and balances, popular representation in the legislature, the independent judiciary, and so on.

How exactly had the "efficacy of various principles" come to be so "well understood"? By scientific method, of course. Which is to say, the deductive analysis of available data. Which, in turn, is to say the study of different systems of government which had prevailed at different times and places in the past.

No. 18:

Among the confederacies of antiquity, the most considerable was that of the Grecian Republics associated under the Amphyctionic Council.

No. 17 (by Hamilton, naturally):

When the sovereign happened to be a man of vigorous and warlike temper and of superior abilities, he would acquire a personal weight and influence. * * * Among other illustrations of [this] * * * truth which might be cited Scotland will furnish a cogent example. The spirit of clanship which was at an early day introduced into that kingdom, uniting the nobles and their dependents by ties equivalent to those of kindred, rendered

the aristocracy a constant overmatch for the power of the monarch; till the incorporation with England subdued its fierce and ungovernable spirit, and reduced it within those rules of subordination, which a more rational and a more energetic system of civil polity had previously established in the latter kingdom.

No. 19:

The examples of ancient confederacies * * * have not exhausted the source of experimental instruction on this subject. There are existing institutions, founded on a similar principle, which merit particular consideration. The first which presents itself is the Germanic Body.

This is but a sampler. "The Federalist" abounds in analysis of the principles on which different states are founded, and the successes or failures, the strengths and weaknesses associated with each.

It is an unequaled analytic tradition. The more troublesome, then, is its disappearance in our time. Notably in the matter of our relations with the State of Mexico.

From the time it was first proposed that we enter a free-trade agreement with Mexico, I have objected for a single reason.

Mexico is a Leninist State.

The Leninist State is the most noteworthy, if calamitous, political invention of the 20th century. Having just come through a 70-year struggle with the original such State, formed as the Union of Soviet Socialist Republics, you would suppose we would be able to recognize one on our southern border. But then you might suppose many things about the analytic reach of the Department of State and of Treasury, only to be disappointed. Note that the American Labor movement had no such difficulty.

Let me hasten to state that Leninist principles were never fully deployed in Mexico. There was no Great Terror. Even so, "Americas Watch" records in a 1992 assessment that "torture is endemic" in Mexico. Which is to say, State torture. Political opponents are murdered. Elections are propaganda exercises, and so forth.

The central principle of the Leninist State is that a single political party holds sway over the whole of society, and in particular, governs the government. We know from the Soviet experience, and for that matter from the Mexican experience, that this is never wholly successful. Yet it is the principle. Hence, the Partido Revolucionario Institucional. Literally translated, the Party of the Institutional Revolution.

The simple fact is that the Russian Revolution made a great impression in Mexico—as it did in the United States and most countries in the world. But unlike most, Mexico set out to reproduce the Soviet model. So much that when Trotsky fled the Soviet Union, now controlled by Stalin, he did not settle in Paris, as failed revolutionaries were expected to do; he went instead to Mexico City. Upon his arrival in 1937, Trotsky saw that Mexico was a

place where he could continue his work. Here was an important battleground in the struggle to win international support for Marxism. He wrote:

Of all the Spanish-speaking countries, Mexico is virtually the only one where the necessary freedom exists for the dissemination of the Marxist word. This international situation assigns a leading role to Mexican Marxists not just with respect to Latin America, but with respect to Spain itself, as well the growing Spanish emigration to all countries of the Old and New World. * * * History has assigned serious responsibilities to Mexican Marxists.

Stalin, of course, pursued him. But Trotsky's myth persists in Mexico. This from the August 27, 1990, issue of *Newsweek*:

Leon Trotsky? The man who applauded the arrest of dissident factions of the dawn of the Russian Revolution? The military commissar who argued for the coercion of workers into industry and preached that the Soviet Union should be a springboard for world revolution? This week, on the 50th anniversary of his assassination at the order of Joseph Stalin, Leon Trotsky is being hailed in Mexico as a prophet of perestroika, an avatar of socialism with a human face. The Mexico City government has spent more than \$100,000 to restore the house where Trotsky died; the elaborate ceremony to make its reopening this week was to be presided over by the mayor. "This anniversary * * * is our chance to show that socialism still has validity," Aguilar insists, "that it can still be identified with human rights." Exclaims political scientist Paulina Fernandez: "Trotsky represents a badge of honor for communism today."

This may seem sentimental and harmless; and to a degree it was. But in foreign affairs, for example, the Government of Mexico made itself a firm ally of Marxist causes throughout the cold war. At the United Nations it would occasionally vote with the United States, mostly by accident. But in General Assembly votes 1975-90, it voted with the Warsaw Pact 90.3 percent of the time. I was present as U.S. Representative in 1975 when Mexico joined the Soviet Union and 70 of the most obnoxious dictatorships in the world in the infamous Resolution 3370, declaring Zionism to be a form of racism. Mexico had no part in the quarrels of the Middle East, but that was the party line and the Partido Revolucionario Institucional toed it.

Mind, by 1990 the Leninist regime in Mexico was coming apart, much as it was in Russia. The regime had long since become corrupt; rather, the corruption had long since become evident. A kind of division of the spoils took place. Intellectuals were given foreign policy. Viva Fidel and all that. Entrepreneurs were given industry—such that in 1993, President Salinas could hold a fundraising dinner at \$25 million a plate. Party bosses were given various fiefdoms—to use a feudal term—probably including portions of the drug traffic. And so it went. Workers got little; peasants got nothing.

Then reform appeared.

The central organizing principle of the P.R.I., one which had indeed

brought stability to the Mexican State after decades of bloody chaos, was the single term, 6-year Presidency. In 1988, the P.R.I. chose Carlos Salinas de Gortari, who had earned a Ph.D. in government at Harvard. Others like him appeared in Mexican Government circles. It is not clear to me how much they rejected the Leninist model of the Mexican State. Surely they accommodated it; almost certainly, however, they recognized that it didn't work well. In the Leninist tradition, if you will, this brought about vicious intraparty conflict. To succeed Salinas, the P.R.I. chose Luis Donaldo Colosio, who attended the University of Pennsylvania, to be the next President of Mexico—this choice was probably dictated by Salinas, one of the inducements to giving up office in the Mexican manner is the power to choose one's successor—Colosio was assassinated in Tijuana in March, 1994. Among those subsequently arrested were local P.R.I. opponents of Colosio. Probably in the same pattern, in September, 1994, Jose Francisco Ruiz Massieu, the reform minded Secretary-General of the P.R.I., was assassinated in Mexico City. The main suspect has evidently implicated other P.R.I. officials in the killing. In the meantime, in Chiapas, followers, or descendants, or what you will, of Emiliano Zapata brought about an internal rebellion. Zapata, who had written in 1918:

Much would we gain, much would human justice gain, if all the people of our America and all the nations of old Europe should understand that the cause of revolutionary Mexico and the cause of Russia, the unredeemed, are and represent the cause of humanity, the supreme interest of all oppressed people. * * * It is not strange, for this reason that the proletariat of the world applauds and admires the Russian Revolution in the same manner as it will lend its complete adhesion, sympathy and support to the Mexican Revolution once it fully comprehends its objectives.

That was then. It is now 1994. Mexico has entered into a free-trade agreement with the United States and Canada. There will be a Presidential election in August. The regime is in peril. A fixed exchange rate is maintained to ensure a large inflow of U.S. consumer goods to produce a sufficiently satisfied electorate. A huge foreign debt ensues. Followed in turn by devaluation and the present crisis of 1995.

Surely, this could have been anticipated as a possible if not probable sequence. It was not. Two successive administrations went forward with NAFTA with the same confidence that had attended our earlier free-trade agreement with Canada.

I have no explanation for this. None has been proffered—note that A.M. Rosenthal argues in this morning's *Times* that there is a need for testimony under oath. A plausible explanation would be that our policy makers looked upon Mexico as a typical Third World economy which had adopted a policy of import substitution as a means towards industrial development. This was common enough economic

strategy in the postcolonial period. Charles P. Kindleberger notes that it was indeed the much respected prescription of eminent economists such as Raul Prebisch of Argentina and Gunnar Myrdal of Sweden. India would be a good example of a democratic developing nation that opted for this strategy. By the beginning of the 1990's, however, the Indian Government was changing its view—even as at the beginning of the 1980's it had faced a foreign exchange crisis.

Surely, Mexican Government officials, under the influence in part at least of American economists, had also begun to change. The collapse of the Soviet Union hastened this appreciation in the value of American degrees. Just this Monday a poor fellow was ousted from President Zedillo's cabinet for having falsely claimed to have a doctorate from Harvard. But old habits die hard in a still theoretically one-party State. A free-trade agreement necessitates a flexible exchange rate to correct imbalances in the flow of imports and exports. Even so, the Salinas government maintained a fixed exchange rate until after the election. Then came the crash.

At this point I would like to make a seemingly contradictory argument. I opposed NAFTA. First, I voted against President Bush's request for "fast track" authority. Then, in 1993, I voted against the resulting agreement. I was then chairman of the Finance Committee. I did nothing whatever to hold up the agreement, and I might have done. To the contrary, I saw to it that it was reported out of the committee promptly. When it came to the floor, I asked my colleague MAX BAUCUS, then chairman of the Subcommittee on International Trade, to manage time in support of the bill. Which thereupon passed.

My objections, which I believe I stated clearly enough, were political more than economic. I did not believe that the United States appreciated the troubles that would almost surely come of entering into so close a relationship with a polity so very different from our own; different in ways that could bring about a crisis such as that of the present.

Nonetheless, I fully support Federal Reserve Chairman Alan Greenspan, Secretary of State Warren Christopher, and Secretary of the Treasury Robert Rubin in their advocacy of a \$40 billion loan guarantee fund for Mexico. My reasons are twofold. First, I have the uttermost respect for Dr. Greenspan and his associates in this matter. He asserts that he came to his present position "with great reluctance." This week he told the Finance Committee that he all but detested the "too big to fail" argument, be it applied to banks or nations. And, yet, there was something to it. Just yesterday, he told the Foreign Relations Committee, "If this were strictly confined to Mexico, there would be no purpose whatsoever in a

government loan guarantee." But the issue is not confined to Mexico. It is Dr. Greenspan's judgment that the economies of the whole of the developing world are potentially at risk. The Senator from New York is not about to hear such testimony from Alan Greenspan and pay no heed.

Similarly, I was struck by the comment yesterday by my distinguished colleague, PAUL COVERDELL, not just incidentally former head of the Peace Corps, warning against demands for strict conditions on the loan guarantee which may "inflare" relations with Mexico. May, indeed. They most assuredly will. Then we shall have chaos on our hands; or rather, on our border.

In my view, it comes to this. We probably ought never to have entered a free-trade agreement with a polity so very different from our own. But we did. And we now face the consequences. They are nothing we cannot manage. As the headline from an editorial in the Buffalo News of January 26, 1995 explains:

It's risky, but U.S. has to try to rescue Mexico's economy

LOCATION AND TRADE LINKS LEAVE US LITTLE CHOICE

The true disaster would be to insist on conditions that would arouse all the hostility and hysteria of a nation of 93 million souls on our southern border who for almost the whole of the 20th century have defined themselves by what they loathed in us. Cuidado, amigos.

Thank you, Mr. President, for your patience. I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from West Virginia.

THOUGHTS ON UNFUNDED MANDATES LEGISLATION

Mr. BYRD. Mr. President, I thank the Chair.

The Senate has just passed S. 1, the unfunded mandates legislation. Each of us has come to his own conclusion after weighing the pros and cons of the bill and deciding whether or not this bill is in the best interests of the Nation.

My point in speaking on this bill now, after the vote on final passage, is, No. 1 to explain my vote against the bill; and second, to offer a word of caution.

This bill has not produced a panacea, as I will address shortly. One of the reasons why I voted against the bill is that the Senate rarely imposes restraints upon itself by statute.

When the Senate addresses its procedures in statute it is usually to provide expedited procedures for the consideration of specified measures such as War Powers, Budget Act, Trade Act, or various provisions authorizing Congressional approval or disapproval of Executive proposals. In other words, Defense Base Closure Commission recommendations).

The Senate addressed its rules in the Legislative Reorganization Acts of 1946 and 1970, and imposed certain requirements and safeguards which may not have explicitly authorized points of order, but whose provisions could arguably be enforced by points of order on the Senate floor.

The Senate has imposed numerous restrictions on itself and provided for their enforcement by points of order in the Congressional Budget Act of 1974, which I had a great deal to do with writing, and the related laws such as the Balanced Budget and Emergency Deficit Reduction Act of 1985 and 1987 (Gramm-Rudman-Hollings) and the Budget Enforcement Act of 1990.

But the Senate usually establishes internal discipline by amending its rules or entering into unanimous consent agreements, agreements which can be objected to by any Senator. One objection and the proposed amendment does not go into effect.

Amendments to the rules almost invariably occur by the adoption in the Senate of a simple Senate resolution.

Establishing points of order in statutes is unnecessary, and should be avoided as much as possible.

To establish points of order in statutes is unnecessary, and allows the Senate to change its procedures (if not its rules *per se*) without one day's notice in writing, and also avoids the more stringent cloture requirement of two-thirds vote on proposals to amend the Standing Rules of the Senate.

This is one way of getting around the cloture requirement of two-thirds vote on proposals to amend the Standing Rules of the Senate.

Establishing points of order in statutes unnecessarily lengthens the process by involving consideration in the House of rules governing the Senate, involving consideration in committee, on the floor, in conference on the House and Senate floors during the consideration of a conference report, and also involves the President of the United States.

If the President should obtain a line-item veto at some point, God forbid, it is conceivable that a President could become involved in internal Senate discipline by vetoing some but not all of the provisions that deal exclusively with Senate procedure.

A point of order against unfunded mandates is a departure from previous changes to Senate procedure in that it can have the effect of precluding the consideration of a particular subject matter by the Senate. What other types of subject matters will be added to this list?

If one specific subject matter may be thus avoided in the future, then what other subject matters may be avoided, because they are made subject to statutorily imposed points of order?

So I view this with concern, Mr. President. We are going down a slippery slope from which there is no return when we impose points of order as a means of internal discipline in the

course of Senate deliberation on a bill. We impose those points of order by a law, by statute, as I say, bringing not only the Senate, as should be the case, but also the House and the President into the act.

S. 1 is not a cure-all for the problem of federally imposed mandates. And most importantly, it is not the safety net for the States that it has been characterized to be.

This legislation will not provide any State, local or tribal government a foolproof sanctuary against future mandates. Nor will it protect those governmental units against increased costs should the requirements of any current mandate be increased. All that S. 1 does in this regard is to establish a majority point of order against any bill or joint resolution reported by a committee without a CBO cost estimate. And obviously, as with any majority point of order, that is an additional hurdle to be overcome by those who may wish to enact a piece of legislation. But I would stress, in the strongest possible terms, that the point of order is merely a majority point of order. And as such, it takes the votes of no more than 51 Senators to waive, if all Senators are present and voting.

And if all Senators are not present and voting, it takes a majority of those who are present and voting. If only 60 Senators are present and voting, then only 31 Senators would be needed to waive.

Fifty-one Senators, or a majority of those who are present and voting, can say that the mandate contained in the bill or joint resolution is important enough to the health, safety, and welfare of the American public that they are willing to enact the mandate without an estimate. If only 51 Senators are present and voting, then only 26 are needed to constitute a majority.

Apparently forgotten by those who would make S. 1 out to be a protective shield against the whims of the Congress is that the number of Senators needed to waive the point of order is precisely the number of Senators needed to pass any bill containing a mandate.

The point must be emphasized, particularly to the Governors of this Nation—and to the mayors of cities who are meeting in this Capital City—that S. 1 will not with certainty protect them from the costs and responsibilities of future mandates.

Further, there is nothing in S. 1 which will provide any relief whatsoever to State and local governments for the costs of existing Federal mandates. No relief whatsoever, Governors. None. No relief whatsoever.

According to the report of the Budget Committee on S. 1, one study prepared for the GSA Regulatory Information Service Center in 1992 found the cost of Federal mandates to State and local governments and the private sector