

We pledge to continue the work that God has called us to do as long as we live.
Thank you.

MEXICO AT A CRITICAL JUNCTURE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. RICHARDSON. Mr. Speaker, I am taking this opportunity to share with my colleagues a brilliant analysis of the political and economic crisis in Mexico. The essay discusses the multiple causes that triggered the Mexican crisis, explains the measures that the Mexican Government has implemented to overcome the crisis and offers insights of the position our Government should adopt to help this troubled developing nation to flourish again.

This report was written by C. Allen Ellis—a well-known international specialist who has demonstrated outstanding leadership and diplomatic skills and whose opinion is respected in our country, Mexico and in the international financial circles. Among the multiple duties of his professional life, Mr. Ellis has served as an advisor to senior political, diplomatic, and financial authorities of the United States and Mexico. He also participated in the North American Free Trade Agreement process as advisor to key members of the United States Congress, the Government of Mexico and Mexico, private sector interests. And most importantly, Mr. Ellis is an active member of the North American Institute, an international think tank based in the heart of my district in Santa Fe, NM. I believe that my colleagues will benefit greatly from Mr. Ellis' report.

MEXICO AT A CRITICAL JUNCTURE

(By C. Allen Ellis)

THE 1994-1995 CRISIS

The years 1994-1995 were two of the most turbulent years in Mexico's modern history since the Revolution of 1910. An indigenous uprising in the southeastern state of Chiapas, which could represent a flashpoint for the vast number of our southern neighbor's rural and urban poor, continued to fester. Luis Donaldo Colosio, the presidential candidate of the country's dominant political party for 65 years, the Partido Revolucionario Institucional ("PRI"), was assassinated March 23, 1994 as he initiated his campaign, and a possible conspiracy and its participants is an issue which the judiciary and law enforcement branches of the government have been unable to resolve to date.

A relatively unknown substitute and politically inexperienced PRI candidate, Ernesto Zedillo Ponce de León, was elected President September 1, 1994, in what observers and participants alike concluded was a model democratic election in Mexico.

The above dramatic events, along with a continuing rise in international interest rates, and a massive acceleration in Mexico's balance of trade and current account deficits, resulted in a growing erosion of confidence by foreign and Mexican investors alike in Mexico and in its capital market, which the bulk of capital flows earlier had found attractive, notably in the form of "Tesobonos", short-term, high-yielding, essentially dollar-denominated instruments.

The Government of Mexico's reliance on "Tesobonos" and on escalating short-term internal financing to meet its short and

long-term financial needs, was compounded by the failure of the outgoing administration of President Carlos Salinas to address the challenging issue of an over-valued currency. The international financial community would have accepted a devaluation prior to its leaving office, given its confidence in Mexico's outgoing political leadership and financial authorities, but the decision was made to avoid this unpalatable choice.

President Ernesto Zedillo and his inexperienced political and financial team were thus confronted, three weeks after taking office, with the fateful necessity to devalue. It was, inevitably, a failure, given its having to be attempted before the new administration had established its political and financial credibility compounded by its handling of the devaluation proper.

The result of the above-described confluence of events was a crisis year 1995 in which Mexico experienced its worst recession since 1932 with a fall in its gross domestic product of 6.9% inflation in excess of 50%, its currency devalued by a third against the dollar, at least 15,000 business failures, additional millions of unemployed or underemployed and a shattering loss of confidence by the Mexican people at all levels of society in the workings of their traditional political system and in their political and economic governance.

Fortunately for Mexico, and in the national self-interest of our own country, President William Clinton, his financial team and the Federal Reserve Board were joined by the international financial community and key members of both parties in our Congress in approval of timely and massive financial assistance to Mexico. This was in response to the economic stabilization program adopted by President Zedillo and Treasury Secretary Guillermo Ortiz, in close consultation with Secretary Robert Rubin and his team at Treasury working in tandem with the international financial agencies.

THE PRESENT ECONOMIC SCENARIO

At the recent Mexican Bankers Convention held March 15-16 the mood of the assembled banking representatives and senior government officials was realistic, if not somber. It was in striking contrast to the prior gathering in October 1994 where outgoing President Carlos Salinas presided and lauded his Treasury Secretary for his abilities and loyalty.

President Zedillo in his address to the 1996 assemblage reiterated that the economic austerity program of his administration would be continued. Treasury Secretary Ortiz thereafter described the slowing in the fourth quarter of 1995 of the economy's free-fall in the second and third quarters. He predicted that a slow recovery, and fall in Mexico's continuing inflation, would begin in the second quarter of 1996, making possible achievement of the 3% growth rate target for the year with moderating inflation.

However, the assembled Mexican and foreign bankers remained particularly troubled by the continuing crisis in the banking system where prevailing interest rates of 40% and higher, similar bad debt levels as a percentage of loans, and a growing non-payment mentality by borrowers, even when able to repay, were of increasing concern.

Our country's 1995 trade deficit of \$15.4 billion with Mexico was the first year since 1990 that imports exceeded exports, and was principally due to Mexico's deep recession, the devaluation of its currency and our own booming demand. Our exports to Mexico, in a total of \$46.3 billion, were down approximately 9% from their 1994 level but still 11% higher than in 1993, the year before NAFTA took effect. Despite earlier dire forecasts by Ross Perot and others of the effect NAFTA would have on employment, the Department

of Labor has reported that between January 1994 and February 1996 it certified for assistance 58,600 workers whose loss of jobs could be attributed to NAFTA, far fewer than had been predicted.

PRESIDENT ERNESTO ZEDILLO AND HIS POLICIES.

President Zedillo has begun his six-year term to end in the year 2000 embarked on a program to open and democratize Mexico's one-party political system, reform the authoritarian nature of its presidency, enhance the role of the legislative and judicial branches of government, and decentralize its federal-state relationships, all the while confronting Mexico's shattered economy and banking system. He has chosen a herculean course which, if successful, could dramatically change Mexico and result in its political modernization.

Many Mexicans, particularly among traditional political figures and their counterparts in the private sector, question whether this is the right course for Mexico and do not believe President Zedillo and his team have the experience, political skills and public support to accomplish the fundamental transformation involved. Notwithstanding there appears to be a gradual realization that President Zedillo, given his resolute and stubborn nature, will stay his present course. However, to assure the long-term success of this program his administration and he must develop greater political support at all levels within Mexico.

The importance of Mexico to our own country merits increasing appreciation here, not only as our partner with Canada in NAFTA, but as proof of the world's leading industrial democracy and a troubled developing nation, with which it shares a 3,000 mile border, can address their many common problems and prosper together.

IN HONOR OF ZUBERI MCKINNEY

HON. DOUGLAS "PETE" PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. PETERSON of Florida. Mr. Speaker, on March 6, 1966, Zuberi McKinney, the beloved son of the U.S. Army Sgt. Maj. Gene C. McKinney, died as a result of a tragic automobile accident in Tallahassee, FL. Zuberi was 18 years old and attending his first year of college at Florida A&M University. Sergeant Major and Mrs. McKinney are long time residents of the Second Congressional District of Florida which I serve.

I lost my 17-year-old son several years ago in an accident very similar to that experienced by the McKinney family and know only too well the pain a family suffers having sustained a loss of this magnitude. It is a pain that never goes away, however there is comfort in that loved one's memory.

Today, Mr. Speaker, I wish to enter into the RECORD the words of Zuberi McKinney's parents as they celebrate Zuberi's 19th birthday. The composition speaks for itself in terms of compassion and grief, but it also speaks eloquently of a strong, close, loving family. A family whose bonds cannot be broken even in death.

IN HONOR OF ZUBERI MCKINNEY

Our Dear Son,

You've heard us say to you many times how we will always be proud of you and love you, No Matter What.

Today Dad and I were reminiscing about the Earthly life you have had and we have had because of you.

Sometime in September, 1976, we were told we would be parents approximately May 10, 1977. Who would have believed on May 10, in less than an hour from the time we arrived at the Frankfurt Hospital you were born!

We had researched our chosen names and daddy's name won because of a boy baby.

Zuberi Aswad. An African name from the Swahili language. Zuberi meaning Strong and Aswad meaning Black.

You grew quickly and learned lots. The first song you learned was, "Yes Jesus Loves Me."

Looking back over eighteen years you accomplished a great deal here on Earth. Your rambunctious sports years started at age three when you played on the Rowdies Soccer Team. You were skiing downhill at age five. You played football, baseball, tennis, percussion instruments in the band, piano, was on a swim team and played lots and lots of basketball, ending up on the Heidelberg Varsity Basketball team.

You were very inquisitive as a student and often challenged teachers, including us as parents. That was good . . . at times.

You always made friends easily and always had lots of them. We always noticed the characteristics of the ones you chose to keep as your Closest friends. They were always mannerable, had a great sense of humor, had a goal in life and most importantly as you once said, "Couldn't be broke all the time."

You got to live a very adventurous life on two continents. Visiting many different countries and states. Experiencing almost every mode of travel possible. You always believed in fun. You had it and we enjoyed having fun with you.

We are very unhappy right now because we miss your earthly flesh and we cry out because of earthly feelings. But we Thank God that He chose us to be your parents. We Thank God that He chose you to prepare our place in Heaven. Because we know you'll get the best. And we Thank God for this prayer:

Now I lay me down to sleep
I pray the Lord my soul to keep
If I should die before I wake
I pray the Lord my soul to take.

You slept with us sixteen days before the Lord took your soul to shine down on us from Heaven.

The Guardian Angel we placed over your heart was kissed by ours and we will wear it representing we will Never Ever part from you.

We'll talk to you daily from now until Eternity.

Love you forever,

MOM AND DAD.

HONORING THE HENDERSONVILLE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Hendersonville Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study

the latest videos featuring the latest in firefighting tactics, and well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well-trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

BENJAMIN BURROUGHS, HAWAII'S
1996 RESPECTEEN WINNER

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mrs. MINK of Hawaii. Mr. Speaker, as part of the Lutheran Brotherhood's Speak For Yourself program, over 15,000 students nationwide wrote to their Members of Congress on various public policy issues. Benjamin Burroughs, an eighth grader from my district, was chosen as the Hawaii State winner of the letter writing contest. In his thoughtful letter regarding persons with disabilities, he drew from his brother's experience with autism. He effectively argued that Congress should strengthen the Individuals with Disabilities Act and increase public awareness on the issue.

Benjamin is only 14 years old, but he wrote an excellent letter on a complex topic. I applaud his concern and willingness to take action on a matter that directly affects his family. Benjamin attends Kahuku High and Intermediate School. I join with his parents, Lonia and Jeffery Burroughs of Laie, HI, to congratulate Benjamin on an outstanding effort. The text of his letter is as follows:

January 30, 1996.

Hon PATSY MINK,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE MINK. I believe that with the new conservative Republican swing, there is a pressing problem that is like firecracker with a lit fuse waiting to burst. These legislators intend to put more power with the individual states and less with the federal government. This scares me because it is highly likely that some states will cut funding for the education of people with disabilities. In 1981 when federal law required education for children with mental disabilities from ages 3-5, states were given ten years to comply. Many states complied quickly but many did not. An example of this was South Carolina who waited until the last minute of the deadline to comply.

Early childhood intervention is a must. It is statistically proven that if children with disabilities are taught at an early age, they will be better able to function in society. If persons with disabilities are not taught early so that they can become productive members of society then they become financial burdens on society. It pays to intervene early.

My brother is autistic and if power goes to the states, a worst-case scenario would be

that he couldn't go to school altogether. There are two major things that you can do as a representative to solve this problem. First, influence other legislators to sustain the Individuals With Disabilities Education Act [I.D.E.A.] and to maintain current federal mandates protecting the rights of persons with disabilities. Second is to require a module in every Guidance/Health class in High School that will increase the overall education of everyone about persons with disabilities.

I think that if these two things are done then my brother and thousands of persons with disabilities will be able to have a good education and a better life.

Sincerely,

BEN BURROUGHS.

PERSONAL EXPLANATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. GOODLING. Mr. Speaker, I regret my absence for rollcall No. 155, a motion to allow committees to sit. I was unavoidably detained at a legislative conference on the Senate side of the Capitol.

Had I been present, I would have voted "aye."

HONORING THE VISION IMPAIRMENT CENTER TO OPTIMIZE REMAINING SIGHT [VICTORS] OF KANSAS CITY, MISSOURI

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1996

Mr. STUMP. Mr. Speaker, it is a distinguished pleasure to announce to you that Mr. Joseph Maino, O.D. will receive the Olin E. Teague Award today on behalf of the Vision Impairment Center To Optimize Remaining Sight [VICTORS] team of Kansas City, MO.

VICTORS is a Department of Veterans Affairs special medical program designed to provide optimum low vision rehabilitation services to veterans with visual impairments. The team members evaluate, diagnose, and rehabilitate veterans from a six-State area: Nebraska, Iowa, Kansas, Missouri, Oklahoma, and Arkansas. More than twenty medical centers and outpatient clinics refer blind and visually impaired veterans to the program. The center has helped more than 1,500 veterans since it first opened in 1979. The team members' continuing creativity and dedication results in innovative methods and tools to combat the effects of severe vision loss. For this reason, our Nation's veterans live better and more fulfilling lives.

The Olin E. Teague Award is the highest honor the VA awards in the field of rehabilitation. It is presented annually to a VA employee, or group of employees working as a team, whose achievements have been of extraordinary benefit to veterans with service-connected disabilities.

Mr. Speaker, the name Olin E. Teague is synonymous with exemplary service to the Nation's veterans and is the reason this award bears his name. The late Congressman Teague served on the House Veterans' Affairs