

UNITED STATES SENATE,

COMMITTEE ON FOREIGN RELATIONS,

Washington, DC, June 21, 1999.

Hon. LAWRENCE SUMMERS,

Deputy Secretary, U.S. Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: We join a bipartisan group of Senators who are opposed to the International Monetary Fund's proposal to sell a portion of its gold reserves to fund debt relief for countries under the Heavily-Indebted Poor Countries (HIPC) Initiative.

We are unalterably persuaded that selling IMF gold reserves would adversely affect the very countries the Administration intends to assist and further damage the U.S. domestic gold industry.

As is well known, gold prices are depressed—prices dropped more than \$25 per ounce since Great Britain announced it would sell a portion of its holdings. During the past month, the price of gold has plunged to a twenty-year low.

Since the U.S. is the world's second largest producer of gold, we are concerned that American companies and the jobs of thousands of working Americans will be at risk if prices continue to fall.

Thirty-six of the 41 nations slated to benefit from the HIPC program are gold producers. If sales further depress gold prices, it is questionable that benefits from debt relief would outweigh the harm done by falling gold prices. We cannot support a proposal that could very well damage viable private businesses and free markets in developing countries in exchange for relieving a portion of a country's sovereign debt.

We are fully confident that creative minds at the Treasury Department and the IMF can come up with alternatives to gold sales, and the Foreign Relations Committee stands ready to work with you.

Kindest regards.

Sincerely,

JESSE HELMS.
CHUCK HAGEL.HOUSE OF REPRESENTATIVES
OFFICE OF THE MAJORITY WHIP,
*May 12, 1999.*Hon. DAVID DREIER,
*Chairman, Committee on Rules,
Washington, DC.*

DEAR CHAIRMAN DREIER: I am writing to bring to your attention my strong opposition to an Administration request to sell a portion of the gold reserves held by the International Monetary Fund (IMF) to provide debt relief to certain nations within their Heavily-Indebted Poor Countries (HIPC) initiative. I am concerned that the Administration has not taken into account the economic and financial issues involved that are likely to pose serious policy concerns.

As you know, I have been an outspoken critic of the IMF with respect to how it conducts its mission, including the management of its resources. Given the current credit risks at the IMF, the maturity mismatch between its liabilities and assets, and its concentration of loans to five nations, I am concerned that if this ill-conceived proposal were implemented, the direct result would be a further weakening of the IMF balance sheet.

In addition, the sale of IMF gold reserves would significantly harm the U.S. gold mining industry by leading to the further decline in the price of gold. The mere discussion alone of a possible IMF gold sale has contributed to a more than 3.5 percent drop in the price of this commodity over the last few weeks.

The gold industry provides thousands of high paying jobs in this country and a valuable U.S. export commodity that substan-

tially benefits our balance of trade. Yet, the current depressed price of gold on world markets has resulted in major job losses and hardship in the mining sectors of the 13 states that produce nearly 15 percent of the world's output of gold annually. Continued declines in the price of gold would be devastating to the rural communities in this country that rely on the stable price and production of this precious commodity.

With regard to the HIPC initiative, IMF gold sales actually could result in greater harm than assistance to these 41 nations. Indeed, gold mining is a viable and productive sector in the economies of well over half of the HIPC nations. In 10 of those countries, gold mining accounts for between 5 and 40 percent of exports and, as a result, is crucial to national economic well being and employment. In certain other HIPC countries, which do not presently mine gold to any significant extent, there are advanced plans for major gold mining development. Thus, while it is my view that U.S. support for the HIPC initiative not be provided at the expense of an important sector of our economy, the justification for IMF gold sales becomes even less compelling with the possibility that HIPC nations could be harmed—not helped—by such sales.

It is my understanding that congressional authorization is required prior to U.S. representatives to the IMF voting in favor of transactions involving the sale of its gold reserves. As matters involving the IMF come before you, particularly as they relate to the sale of IMF gold reserves, I hope you will consider the risk of harm posed by such sales to a vital sector of our economy.

Finally, Majority Leader Arney has correctly requested that Joint Economic Committee Vice Chairman Jim Saxton direct the JEC to examine the full context of this IMF gold sales proposal along the lines to these same concerns. As such, nothing should proceed on this proposal until the JEC has completed its examination.

Thank you for your attention to this matter.

Sincerely,

TOM DELAY,
Member of Congress.

Similar Letters Sent To: Jim Leach, Chairman, Committee on Banking and Financial Services; Ben Gillman, Chairman, Committee on International Relations; C.W. Young, Chairman, House Appropriations Committee; Sonny Callahan, Chairman, Subcommittee on Foreign Operations; Spencer Bachus, Chairman, Subcommittee on Domestic & International Monetary Policy; Ed Royce, Chairman, Subcommittee on Africa; and Jim Saxton, Vice Chairman, Joint Economic Committee.

KASHMIR VIGILANCE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. GILMAN. Mr. Speaker, I rise to express support for the recent developments regarding the conflict in Jammu and Kashmir in India. Last November a large body of Pakistani troops from its Northern Light Infantry Regiment and Pakistani-backed terrorists crossed the Line of Control into Jammu and Kashmir, forcefully occupying key Indian military posts abandoned for the winter season. When the Indian Armed forces earlier this year attempted to return to their military posts, they were met with fierce Pakistani resistance and opposition.

Faced with this opposition, India then took restrained military action to regain its territory occupied by the terrorists and Pakistani military forces. By adopting a proper, proportionate response to the incursion, India took steps to ensure that the situation did not spin out of control and escalate further.

Most of the international community agree that Pakistan crossed into Jammu and Kashmir in an attempt to alter the Line of Control to Pakistan's advantage and to internationalize the issue.

Pakistan soon discovered that the international community did not support those ambitions. The United States and its allies, including the G-8 nations, condemned the incursion across the Line of Control into India, and called for an immediate end to the hostilities, restoration of the Line of Control, and future respect for the Line of Control.

A resolution sponsored by a bipartisan majority of the House International Relations Committee and myself, two weeks ago, in part expressed the sense of the Congress that it should be the policy of the United States to (1) support the immediate withdrawal of intruding forces supported by Pakistan from the Indian side of the Line of Control, (2) urge the reestablishment and future respect for the line of Control, and (3) to encourage all sides to end the fighting and exercise restraint. The Resolution further expressed the sense of the Congress that it should be the policy of the United States to encourage both India and Pakistan to adhere to the principles of the Lahore Declaration.

Mr. Speaker, I am pleased that the President personally communicated this to Pakistan Prime Minister Sharif and that Pakistan is now in the process of withdrawing its forces from the Indian side of the Line of Control. This should be a message to Pakistan that the international community will not tolerate its military or financial support to any aggression.

This is an issue that India and Pakistan must resolve bilaterally. I am pleased to see that the United States, consistent with its past policy, has said it would not mediate this issue. I urge the U.S. to maintain this position.

Mr. Speaker, I urge both Nations to work toward rebuilding the trust that has been lost as a result of the fighting at the LOC, and to work toward full implementation of the Lahore Declaration. Without this trust, there can be no "true" agreement to go forward with the Lahore process.

While we welcome the decision of the Sharif Government to end the hostilities across the Line of Control into India by ordering the withdrawal of the invading forces, we will keep a keen eye on the situation in the weeks ahead to make caution that all of the conditions will be met. Pakistan must dismantle the structures for training militants for disrupting peace in Jammu and Kashmir, and to maintain the sanctity of the Line of Control, not only in Kargil, but throughout Jammu and Kashmir, India. In addition, Pakistan must stop its support for cross-border terrorism against India.

The Resolution that I introduced, while appropriate at the time, should serve as an expression of Congressional concern. Should we see a recurrence by Pakistan of the events of the past weeks, or other subtle or indirect acts that once again threaten peace in the region, I will not hesitate to begin this Resolution to the House floor.

TEACHER EMPOWERMENT ACT

SPEECH OF

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 20, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1995) to amend the elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes:

Mr. LARSON. Mr. Chairman, I rise today in support of the Castle-Fletcher amendment to the Teacher Empowerment Act to increase teachers knowledge of classroom technology. It is vitally important, as we approach the 21st century, that in order to remain competitive in the global economy, we adapt and, indeed, stay ahead of the revolutionary technological advances that are changing our lives on a daily basis.

Once a mere concept, the knowledge based economy is now a reality. I have often heard mentioned that the leap technology has taken is analogous to going from the dark ages to the renaissance, from cloistered monks scrolling information for the scholarly few to Gutenberg inventing movable type, and exposing the masses to the knowledge contained in books. It is indeed a momentous change. But to maintain our position in the global stage, we must make sure that we integrate technology into our society at the most important stage of our children's development. We must integrate technology into our children's classrooms.

To help our children maintain their competitive advantage in the Information Age, we must give our teachers the tools they need to integrate technology in the classroom. With this amendment we take a positive step in this direction. This amendment would allow professional development programs funded under the Act to provide training for teachers in the uses of technology and its uses in the classroom to improve teaching and learning. It would also provide state funds to Local Education Agencies and Higher Education Partnerships for development of programs that train teachers how to use technology in the classroom.

The amendment is important because integrating technology into the classrooms is not just about wiring schools to the Internet. It is also about making sure that we integrate all aspects of technology, including voice, video, data and distance learning, into the curriculum and that we do so effectively. Our teachers should be trained to develop innovative ways to include technology in teaching our children. Not just to teach our children to surf the Web—although I suspect that is not the children who need help in this area—but also to develop ways to use technology in actual subject matter.

As a former teacher and father of three children, it is quite evident to me that a comprehensive approach should be developed to place our children in a position to excel in this new economy. To that effect, I recently introduced a bill that will develop a strategic plan to create a national technological infrastructure to connect public schools to the information

superhighway. It is only the first step in a three-pronged strategy that will include infrastructure support, teacher enhancement, and child development. In the meantime, I will continue to be a strong supporter of efforts that move our classrooms into the 21st century.

In closing, Mr. Chairman, I want to thank the gentlemen from Delaware, Mr. CASTLE and the gentleman from Kentucky, Mr. FLETCHER for their vision in offering this amendment to improve the efficiency of our teachers and to prepare our children for the challenges they will face in the coming century. I urge all my colleagues to support this amendment.

INTERNET CENSORSHIP; JUVENILE VIOLENCE; LOWERING THE DRINKING AGE TO 18

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. SANDERS. Mr. Speaker, I insert for printing in the RECORD statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am asking that you please insert these statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

INTERNET CENSORSHIP

(On behalf of Amanda Cawthra, Angela Bellizzi, Renay Thompson, and Nick Stahle)

Amanda Cawthra: The First Amendment clearly states that people have the freedom of speech. However, we have to speak to you about government infringement on this basic right, guaranteed in the Constitution. The issue we are talking about is Internet censorship, and whether the government has the right to mandate what can be accessed through the Net.

Nick Stahle: Censorship on the Internet has become a major issue, especially now in the late 1990s. Several bills have been proposed to protect children from explicit material, such as the Communications Decency Act and the Child Online Protection Act. However, we feel it is not the government's place to mandate what can and cannot be posted on the Internet. If parents do not want their children to be exposed to this material, there are several software programs available to block out these sites.

Renay Thompson: Also, once the government steps in, who decides what is objectionable and what is not? If we are going to take the step of censoring sexually explicit material, then why not censor other potentially offensive material, such as those sites by racist groups, or even antiabortionists. Obviously, this would be a violation of these groups' First Amendment rights. Therefore the government should not censor what appears on the Internet, any more than it should censor the private, yet still potentially offensive publications of these groups, or pornographic magazines.

Angela Bellizzi: Parents, librarians, teachers and others that provide Internet access to children need to take the responsibility of monitoring their access. Legitimate web sites should not be deprived of their First Amendment right. That is why, Congressman Sanders, that we conclude in asking you to vote against future legislation that restricts online freedom of speech.

JUVENILE VIOLENCE

(On behalf of David Gilbert, Melissa Jarvis, Amber Atherton, Corey Lasell and Douglas Kunkle)

Douglas Kunkle: We originally planned to discuss our feelings on NATO's action in Kosovo, but with the tragedy in Littleton, we had to choose between two violent and incomprehensible acts. We, with the rest of the country, have been shocked and dismayed with the most recent shooting and bombing incident at Columbine High School, and with the rest of the country, we have discussed and debated the economic, cultural, and technical factors which may have contributed to the escalating trend of violent crimes committed by juveniles in this country.

We understand that there is no quick solution to this problem. We only know that action must be taken.

Corey Lasell: Murder rates are down; but not among adolescents. According to Attorney General Janet Reno, the problem with children killing is likely to worsen. On a typical day in this country, nine teenagers are murdered, and since 1965 there has been a 464 percent increase in the murder arrest rate for 18-year-olds.

Here in Vermont, we feel protected from those kinds of statistics. We are lulled into thinking: "That couldn't happen in Vermont." But according to the study conducted by the Vermont Center for Justice Research, there has been a dramatic increase in crimes committed by Vermont's youth, and increasingly more violent ones.

Bill Clints, Director for the Center for Justice Research, said that the result of this study "indicates the need for further examination of the state's troubled youth in the confidential system that protects and prosecutes them."

Amber Atherton: We suggest that juveniles who commit violent crimes should be tried as an adult. Juveniles must be taught to accept responsibility for their actions. Right now, every juvenile knows the law protects them, and just about anything they do will be handled with kid gloves and a slap on the wrist. Punishment is usually in the form of probation and/or community service. Most juvenile delinquents do not get punished at all for the misdemeanor crimes, so some start committing felonies. We think, because they were not punished for the misdemeanor crimes, they feel they will not be punished for the felonies.

Melissa Jarvis: People are afraid to punish juveniles because they want to give them a second chance. Increasingly, this second chance is used to commit another crime. We think it is about time that the adults in charge look at the juvenile crime situation without colored glasses. This isn't the '50s. Children are killing and getting killed. Those killed do not get a second chance.

We think the fear of harsher punishments would serve as a deterrent for those juveniles who would be successful in programs such as diversion, and curtail the activities of habitual criminals. This will at least protect the general population from them.

David Gilbert: We are afraid lawmakers are scrambling around to pass new laws. The killers in Littleton broke 18 gun laws and more. There are plenty of laws. What we need to do is enforce, prosecute, and punish those who break them.

LOWERING THE DRINKING AGE TO 18

(On behalf of Nicholas Dandrow, Eric Williams, Beth Nadeau, Becca Bergeron and Michael French)

Becca Bergeron: I will be speaking on behalf of the group.