

NOAA. Specifically, the bill fully funds the Sea Grant program, which links world-class university research with outreach and extension efforts and puts science to practical use. I am encouraged by the Committee's continued support of the JASON project that brings marine science right to our nation's classrooms through real-time computer connections.

This bill is a good bill. It's a product of hard and dedicated work, and I urge my colleagues to support it. I look forward to continuing to work with the Chairman and Ranking member of the appropriations subcommittee to make sure that all the agencies in this bill continue their work on behalf of the American people.

RESERVISTS EDUCATION PROTECTION ACT OF 2001

SPEECH OF

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 2001

Mr. UDALL of New Mexico. Mr. Chairman, I rise today in strong support of H.R. 3240, the Reservists Education Protection Act.

Up to 10,000 of the 50,000 reservists recently called to active duty by President Bush as a result of the September 11th attacks against the United States would lose educational assistance entitlement if they are forced to disenroll from school.

In order to ensure that these reservists do not lose their education assistance entitlement, H.R. 3240 restores VA education benefits to veterans in reserve components who are using the Montgomery GI Bill earned by prior active duty. In addition, regular active duty servicemembers and veteran reservists who are transferred to a new duty station or assignment will also be covered under H.R. 3240.

This bill will allow the servicemember to regain time to attend school by adding their mobilized tour of duty, plus four months, to the 10 years that they already have to use their MGIB benefit.

I am an original cosponsor of this important legislation, which is similar to relief that Congress provided to servicemembers during the Persian Gulf War. I believe that Congress should again provide relief for the men and women who have been mobilized to help defend our country and ensure that these reservists are allowed to take full advantage of their education benefits.

This week has been dedicated to honoring our nation's veterans of past wars. Today, with those veterans in our minds and hearts, let us also honor the mobilized reservists who this very instant are fighting here and abroad to defend liberty and freedom by passing H.R. 3240.

KOFI ANNAN AND UNITED NATIONS ARE STAINED WITH BLOOD

HON. CYNTHIA A. MCKINNEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 16, 2001

Ms. MCKINNEY. Mr. Speaker, now I think I've just about seen and heard everything: Kofi

Annan and the United Nations being announced as joint recipients of this year's Nobel Peace Prize. I'm not saying there wasn't a time in the UN's history when it wasn't deserved. What I'm saying is I don't believe it's deserved right now. Instead, I believe that to award the UN and Kofi Annan now amounts to an insult to the millions that have died at the hands of the United Nations in recent years.

Mr. Speaker, Kofi Annan and the United Nations are stained with the blood of millions of dead people.

Let me tell you about some of their recent failures.

Let me start with their greatest failure—Rwanda. The 1994 Rwandan genocide must amount to one of the greatest humanitarian failures of any generation. Kofi Annan was the Director of UN Peacekeeping based in New York and was personally responsible for the UN Peace Keeping force in Rwanda. The now famous informant Jean Pierre had warned Dallaire and the UN leadership of the coming mass slaughter but his information was cavalierly dismissed. Tragically, as had been predicted, Rwanda exploded into an orgy of violence the likes of which the last century had never seen. At the end of 100 days an estimated 1,000,000 Rwandan men, women, and children had been bludgeoned, macheted, and axed to death. The daily death rate was five times that of the Nazi industrial death camps. Instead of reinforcing the UN contingent in Kigali, the UN actually ordered the withdrawal of their troops. It was then that the killing in Kigali exploded. Of course, the US bears much of the blame for the UN's inaction.

And now the much-celebrated International Tribunal for Rwanda has become yet another UN bureaucratic disaster. Repeated UN investigations have found widespread mismanagement, wastage, incompetence, and corruption. The Tribunal has prosecuted a fraction of the Rwandan genocide suspects it holds in custody. It has even been criticized by its own Appeal Court of prosecutorial incompetence and failing to observe elementary due process considerations. Sadly, the Tribunal, which should have brought justice to the region, has instead become another multi-million dollar UN boondoggle. Srebrenica, a name now associated with one of the worst crimes in Europe since WWII or as Judge Riad of the ICTY described it, "... a place where thousands of men were executed, hundreds buried alive, men and women mutilated and slaughtered, children killed before their mother's eyes, and a grandfather was forced to eat the liver of his own grandson." These are truly scenes from hell written on the darkest pages of human history. The UN created a safe haven in Srebrenica and encouraged civilians to enter en masse so as to be under UN military protection. Only one condition applied—entry into the UN safe haven required Muslim fighters to surrender their weapons. They did, hoping that if ever the need arose they would get them back. They were to be sorely disappointed on that score.

When it became apparent that General Mladic was separating the men from the women and then killing them in the nearby fields, the Dutch UN troops began pleading for UN military support. But, just like Rwanda, the UN leadership once again became paralyzed and failed. They dithered over air strikes, they refused to send in troops to help the beleaguered Dutch and in the end, just as with

Rwanda, the UN withdrew their troops. This permitted General Mladic to remove an estimated 5,000–8,000 Muslims from in and around the UN compound in Potocari and slaughter them.

To this day the United Nations and no UN official has ever been held criminally or civilly liable, let alone even publicly admonished, for their massive failures in Srebrenica. All the families of the thousands of victims can do now is pick up the pieces of their broken families and attempt to restart their lives.

Mr. Speaker, sadly there is more.

East Timor. In late August 1999, the UN and now Secretary General Annan, called for elections on the small island country of East Timor despite disturbing evidence that hard line elements in the Indonesian military were preparing to cause wide spread public disorder so as to disrupt the elections. The UN failed to provide adequate protection for the civilian population. Dili was burnt to the ground and East Timor was engulfed in violence. After weeks of killing and millions of dollars of damage, the Australian government sent in ground troops to restore order to East Timor; but by then, it was too late to save East Timor from UN bungling.

Sierra Leone. So bad was the UN's conduct in Sierra Leone in June 2000 that their long time supporter and friend, Medicins Sans Frontieres, felt compelled to speak out and complain. MSF complained bitterly that the UN troops fled a RUF attack on the Sierra Leonean town of Kabala.

In so doing MSF said that the UN had failed its mandate to protect civilian populations, many of whom were sick women and malnourished children in the MSF hospital.

Cambodia. There is now mounting evidence that UN Peacekeeping troops actually caused an explosion of AIDS in Cambodia in 1992. In January of this year Richard Holbrooke, the then US Ambassador to the UN, launched an unprecedented attack upon the UN during his last UTN address saying "... it would be the cruelest of ironies if people who had come to end war ... were spreading the most deadly of diseases ... it will kill more people and undermine more societies than even the most critical conflicts we discuss here." And despite Ambassador Holbrooke's warnings there are concerns that right now in East Timor UN staff could be causing yet another AIDS epidemic. Some things just never seem to change.

Mr. Speaker, let me put it squarely on the record. I believe in the UN. I believe that our country should support the UN. But I do not think that we should blindly lend our support in the face of massive negligence.

I think answers to these questions beg to be asked:

After such repeated UN failures to act upon knowledge of impending humanitarian disasters, what forgiveness?

After such repeated UN failures to discharge their sacred duties, what accountability?

After such ongoing complicity by the UN in repeated slaughters, what punishment?

PERSONAL EXPLANATION

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 16, 2001

Mr. HILL of Indiana. Mr. Speaker, on October 16, 2001, due to a momentary failure of

the House bells system, I missed one vote on the House floor.

Had I been present, I would have voted "yes" on roll call vote 393 to pass H.R. 2217, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

HATE CRIMES IN AMERICA

SPEECH OF

HON. LYNN N. RIVERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 14, 2001

Ms. RIVERS. Mr. Speaker, I rise today to out against hate crimes. Following the events of September 11, there has been a sharp increase in hate crimes against Muslim and Arab Americans across the country. Some reports indicate that as many as 400 incidents have occurred in the past two months, six of which have resulted in death. This exponential increase in bias based violence is deplorable.

In my home state of Michigan, there have been numerous hate based incidents including assaults, vandalism, threats, harassment and discrimination. Michigan is home to thousands of Muslim and Arab Americans who have proven to be great assets to their respective communities and to the state. I am disheartened that any of my fellow Michigan citizens have been wrongly associated with the acts of a few criminals.

Mr. Speaker, while we as a nation consider the possibility of further terrorist attacks, it is imperative that we not forget that fear and violence exists right in our local communities. We must not ignore the fact that citizens in our communities are being targeted because of their faith or appearance. Hate is not an American value.

I recall President Harry S. Truman who said "Intense feelings often obscure the truth." We cannot allow the horrible events of September 11 to do so.

RETIREMENT SECURITY ADVICE ACT OF 2001

SPEECH OF

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 15, 2001

Mr. LaFALCE. Mr. Speaker, I rise in opposition to H.R. 2269, the "Retirement Security Advice Act of 2001," as reported by the Committees on Education and the Workforce and Ways and Means.

Before explaining the reasons for my opposition, I want to first commend the Committees for recognizing the need for better education, professional investment advice and financial choice for tens of millions of our citizens who now participate directly in our financial markets—in unprecedented numbers—through their pension plans.

Nevertheless, I must oppose the bill in its present form because it would remove and reduce fundamental anti-conflicts of interest protections in the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal

Revenue Code of 1986. This bill would expose pension plan participants to the same conflicts of interest, and potential for abuse, that investors are facing elsewhere in the securities markets. The dot.com speculative bubble, fueled largely by the recommendations of firms with multiple conflicts of interest, enticed millions of normally cautious and conservative investors—as well as pension plan participants—to roll the dice with their investments and retirement savings and come out losers.

We know now that this boom was based in considerable part on egregious and sometimes biased accounting irregularities, phony financial statements, and self-interested recommendations from investment banking and other financial services firms. The full magnitude of the violations of law and trust by investment professionals will not be known until the Securities and Exchange Commission completes the many investigations now underway, private litigation is completed, and Congress continues its oversight of industry excesses and regulatory breakdowns. But this much is known now—investors have seen trillions of dollars in savings vaporize. In human terms, the toll is immeasurable—retirements postponed, vacations cancelled, and weddings and educations delayed.

By lowering the anti-conflict of interest safeguards in current law that have protected employees and retirees since 1974, I am afraid that H.R. 2269 may well open the door to similar problems for pension plan participant. ERISA has proved remarkably effective in protecting pension benefits for America's private sector employees as well as the integrity of privately managed benefit plans. This is particularly true for "defined benefit plans" that were the norm in 1974. Since then, particularly in recent years, there has been a dramatic shift toward "defined contribution" plans in which workers and their employers contribute to individual accounts, and within a range determined by the pension plan sponsor, choose how to invest that money.

An estimated 42 million employees now participate in defined contribution plans. This means the employees, not the employer, assume a high degree of responsibility for managing their funds. Retirement aspirations and plans depend largely on the prudence and wisdom of their investment decisions. Too often, individual plan participants do not fully understand the investment risks and rely heavily on others for advice, often to their financial detriment. The decline and volatility of the stock market, particularly the precipitous decline in the technology sector, has eroded the value of even the most professionally managed mutual funds. And everyone with a 401(k) retirement account, as well as Federal employees participating in the common stock fund of the Thrift Savings Plan, have seen the value of their accounts plummet by as much as 25 per cent or even more.

H.R. 2269 is intended to address the real need of employees and workers for better investment advice and services. Unfortunately, the bill goes too far in attempting to accomplish this goal. By weakening ERISA's safeguards against conflicts of interest, this bill would remove some of the oldest, most effective and prophylactic protections ever enacted by Congress to protect employees and their retirement savings. H.R. 2269 would allow benefit plans to contract with one firm to both manage participant's investment funds and to

provide those same participants with personalized investment advice. In other words, it would permit conflicted investment advice—which is now prohibited by ERISA—and substitute a disclosure regime, similar to the Federal securities laws.

I find this feature of the bill very troublesome. Disclosure is inadequate. The Financial Services Committee held numerous hearings earlier this year on the shortcomings of disclosure as an investor protection device in the area of financial analysts. Regrettably, as even the SEC and many industry leaders have concluded, disclosure is more often used to conceal or obfuscate the existence of conflicts rather than to alert or forewarn consumers. In June, the Committee began examining the very important question of whether investors are receiving unbiased research from securities analysts employed by full service investment banking firms. We learned that investors have become victims of recommendations of analysts who have apparent and direct conflicts of interest relating to their investment advice.

While apparently permitted by the SEC and the securities laws, boilerplate and tedious disclosures concerning conflicts leave investors often unaware of the various economic and strategic interests that the investment bank and the analyst have that can fundamentally undermine the integrity and quality of analysts' research. (The disclosure of these conflicts is often general, inconspicuous and even unintelligible. In addition, current conflict disclosure rules do not even reach analysts touting various stocks on CNBC or CNN.)

Recognizing the magnitude of the problem, as well as the inadequacies of the current disclosure framework, several major investment banking firms acted aggressively to protect investors as well as attempt to restore the confidence of their customers in the quality and objectivity of their financial analysis. For example, Merrill Lynch and Credit Suisse First Boston banned their analysts from owning stock in companies they cover. And Prudential Securities actually exited the investment banking business and is using its lack of conflicts as a marketing tool to attract retail brokerage business.

In my view, disclosure requirements, although positive, are still woefully inadequate to confront the systemic conflicts of analysts that necessarily taint advice, skew the market and ultimately harm investors. I continue to believe SEC rulemaking and direct SEC regulation is required to protect investors from serious conflicts of interest. And I am disappointed that new SEC Chairman Pitt, speaking to a securities industry trade association last week, said "I don't think there is any inherent need for a prohibition against an analyst owning stock" and then expressed his "confidence that Wall Street firms will come up with solutions that are in the best interests of investors."

I don't think Wall Street firms are the best protectors of investors or other consumers or pension plan participants. History—recent history, not ancient history—teaches us otherwise.

I agree with the premise of H.R. 2269 that investors, including employees participating in defined contribution plans, need better information, investment advice and alternatives. But I believe they need them from objective,