

turned violent after police clashed with demonstrators. At least eight people died in the protests, including a 14-year-old boy.

In a situation with similarities to California, shortages were originally blamed on private power generators, which at the time of the crisis were only supplying 392,000 of the 815,000 kilowatts they were capable of producing. The electricity issue also sparked a confrontation between the Dominican government and the U.S. Embassy, after the former accused the Smith-Enron joint venture of outright fraud for failing to deliver its promise to generate at least 175 megawatts a day. After privatization of the CDE, power rates had more than doubled and government payments and subsidies (now to private companies) had tripled. After months of negotiation between the government and the power companies, an agreement was finally reached in October 2001 in Madrid, Spain. However, further privatization of the CDE (the remaining transmission companies) has been mentioned as a possible option for a cash infusion for the government. In April 2000 it was reported that CDE, the state power company partially owned by Enron, would privatize electricity transmission in order to comply with World Bank requirements for assistance.

Officials of the current and previous administration have been publicly trading responsibility for the chaos in the electricity sector. In June 2001, the President of the Dominican Republic announced that the contracts awarded during the privatization of the power sector would be investigated. A report by a special commission for the Dominican Senate claimed that the assets of the CDE were undervalued by \$907 million, resulting in the CDE's sale for 42% of its value. Suspiciously, the accounting firm that executed the market value appraisal, Ortega & Asociados, is Arthur Andersen's "local representative" in the Dominican Republic. In January 2002, sparked by the allegations surrounding Enron and Arthur Andersen, the Dominican newspaper, *El Nacional*, revealed the connection between the two accounting firms. Representatives of Ortega & Asociados were questioned about their involvement in the CDE privatization and Enron's operations. Although they have denied any wrongdoing, in a letter to the newspaper they stated that, "This job [referring to the CDE privatization] was done by our professional Dominican staff, with the collaboration of Andersen, given its knowledge and experience in privatization and capitalization of public companies in Latin America."³⁰

Enron's contract in the Dominican Republic expires in 2015.

Until 1992, the state-owned Instituto Nacionale de Electricidad (INDE, National Institute of Electricity) held more than 83 percent of the capacity serving Guatemala's power supply requirements. The remainder was owned by the Empresa Eléctrica de Guatemala S.A. (EEGSA, the Guatemala Electricity Company), of which the government was majority owner. Transformation of the power sector began in January 1993 when EEGSA signed a 15-year power purchase agreement (PPA) with Enron to build the 110MW Puerto Quetzal thermal plant that began operations in 1993. Consisting of two barges loaded with 10 diesel-fired generators, the \$92 million project was partly financed by the IFC, which approved a \$20 million direct loan as well as a \$51 million syndicated loan toward this, the

first privately-financed power project in Central America. Power from the project is sold to EEGSA.

The power company, Puerto Quetzal Power Corp., was created by Enron, who initially owned 50%, in addition to operating the plant and serving as fuel supplier. King Ranch Inc., a U.S. company with energy and agribusiness interests, owned the other 50%. In 2000, the U.K.'s Commonwealth Development Corporation (CDC) acquired 25% ownership of the project. The project also gained support from the U.S. Maritime Administration (MARAD), which financed guarantees on the power barge construction in 1994 and 2000.

In addition to the IFC, the U.S. Overseas Private Development Corporation (OPIC) in 1992 granted a \$73 million guarantee towards this project, and in 2000, OPIC extended a loan for \$50 million to expand the capacity of the plant from 110 MW to 234 MW.

Shortly after it began operating, the complaints against Enron began. According to reports at the time: "(T)he Attorney General [of Guatemala] reported that U.S.-owned Enron Power has not paid any of the estimated \$14 million it owned the Guatemalan government for its electrical generation plant in Puerto Quetzal. The Guatemalan government collects less than half the revenues owned it, and it is estimated that two-thirds of businesses, like Enron Power, pay no taxes at all."³¹ In 1996, the IFC extended an additional \$700,000 guarantee to the project. In 1997, Enron's plant was supply 15% of Guatemala's energy. In September 2000, Enron requested and was granted permission from MARAD to change the registration and flag of the barges from Guatemala to Panama, which is known worldwide for its lax and favorable terms on vessel registration.

When the power sector began its transformation process in 1993, President Jorge Serrano proposed an increase in electric rates to support a market-based electric power industry. The increases in consumer rates, which totaled as much as 100 percent for some customers, were part of the principal complaints of the demonstrators who took to the streets in Guatemala City during the spring of 1993. President Serrano responded to the unrest by declaring martial law, and attempting to dissolve the Guatemalan Congress. His attempt to take control of the government by decree failed when he was unable to win the support of the military. President Serrano subsequently fled the country, and the rate increases were suspended.³² He is currently in exile in Panama.

The privatization process continued, with Guatemala's 1996 electricity law (Decree 93-96) effectively liberalizing the power sector. The law placed no limits on foreign ownership of companies interested in providing service in the electricity sector. EEGSA was fully privatized in July 1998, when 80 percent of its assets were bought by a consortium formed by Teco Power Corporation of the U.S. Iberdrola Ennergia, S.A. of Spain and Electricidad do Portugal, S.A. of Portugal.

MOZAMBIQUE

In June 1994, the World Bank's IDA provided \$30 million toward the privatization of Mozambique's Pande gas fields. The World Bank began to act as a broker, encouraging government officials and private investors to develop Pande, claiming that the gas fields were expected to lead to gas exports to South

Africa worth \$150 million annually. The privatization deal followed intensive lobbying by U.S. embassy officials on behalf of Enron. In October 1994, Enron did in fact beat out Sasol (S. Africa) and PlusPetrol (Argentina) for control of the Pande gas field. Enron also hoped to invest in another field, Pemane, but, according to Africa Energy & Mining, "the authorities . . . don't want the country's entire gas production to fall into the hands of a single company."

"Elements of the embassy did a bit of lobbying for the company, which I find a bit strange, because this is a commercial agreement," Mozambique's Minister of Energy Resources, John Kachamila told the New York Times. He added that he was "told that other aid to Mozambique might be in jeopardy if this agreement was not signed."

"It was a little more nuanced than that," an unnamed Clinton administration official reported to the newspaper. "It is difficult to say we should give Mozambique \$40 million a year, if it's going to take an opportunity for a \$700 million project and not do it."

THE PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 2002

Mr. LANGEVIN. Mr. Speaker, I rise today to honor some very special young people who have made considerable contributions to Rhode Island's communities. In particular, I would like to recognize the achievements of Ms. Nichole Magnifico of Warwick, RI and Ms. Kristin Pallister of East Greenwich, RI. These two young women have been selected to receive The Prudential Spirit of Community Awards for outstanding community service.

Ms. Nichole Magnifico is a high school senior. She is being recognized for organizing the first special needs cheerleading squad in the state of Rhode Island. With Ms. Magnifico's guidance the squad raised funds and began cheering at Special Olympics basketball games, including the Special Olympics Basketball Championship.

Ms. Kristin Pallister, an eighth-grader, volunteered at a nursing home for Alzheimer's patients. Ms. Pallister provided comfort and company to the residents, and has demonstrated her commitment to those in need.

The Prudential Spirit of Community Awards were created in 1995 by Prudential Financial in partnership with the National Association of Secondary School Principals to impress upon all youth volunteers that their contributions are critically important and highly valued. Over the past seven years this program has grown into the largest youth recognition effort based solely on community service. Ms. Magnifico and Ms. Pallister should be extremely proud to have been singled out to receive this honor.

I am heartened, Mr. Speaker, by the selflessness of these young people. While numerous statistics show that Americans are less involved in their communities, it is important that we encourage youth volunteers. They have the power to inspire each and every one of us to make a difference in our own towns and neighborhoods. I hope that you and our colleagues will join me in recognizing these two

dedicated young women, for they are among our brightest hopes for a better tomorrow.

TRIBUTE TO SWEDISH AMBASSADOR JAN ELIASSON AND HIS STATEMENT ON RAOUL WALLENBERG

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 2002

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to Ambassador Jan Eliasson—ambassador of Sweden to the United States. I want to call the attention of my colleagues to a particularly important speech which he gave before he assumed his current position at a special fiftieth anniversary commemoration marking the disappearance of Swedish humanitarian Raoul Wallenberg. That address was given in the Swedish Parliament on January 17, 1995.

Mr. Speaker, Ambassador Eliasson has a distinguished career in the Swedish diplomatic service. He achieved international attention in 1991, when he was able to utilize his extensive knowledge of economics with a humanitarian purpose in serving as both the Vice President of the United Nations Economic and Social Counsel (ECOSOC) and as the Chairman of the U.N.'s emergency relief group. As the Vice President of the ECOSOC, Ambassador Eliasson was responsible for coordinating activities of social, economic, and humanitarian importance.

Ambassador Eliasson is not only an outstanding diplomat but also a great humanitarian, who embodies the highest and noblest values Sweden has contributed to western civilization. After being named Under-Secretary for Humanitarian Affairs of the U.N., one of his first initiatives was to eliminate the problem of active land mines in countries such as Mozambique. Aid agencies were hired out to demine the most dangerous civilian populated regions of the country. Ambassador Eliasson publicly denounced the further production of land mines under existing law.

From October 1994 to September 2000 Ambassador Eliasson was Sweden's Deputy Secretary of Foreign Affairs. In this position, his voice was particularly significant in formulating and implementing Swedish foreign policy. He continued to incorporate economic pragmatism, social development, and international peace and security into his agenda while serving in this capacity.

Mr. Speaker, for the past two years, Jan Eliasson has served as the Swedish Ambassador to the United States. I am pleased that he is still dedicated to the humanitarian goals that have marked his long and distinguished diplomatic career and which clearly represent the best of Sweden. Ambassador Eliasson's commitment to helping other people mirrors the compassion that Raoul Wallenberg so nobly embodied during his unique rescue mission, in my native land of Hungary.

In his 1995 address to the Swedish parliament, Ambassador Eliasson said, "Raoul Wallenberg lives on." Anyone that dedicates his or her life to peaceful diplomacy and humanitarian causes as Ambassador Eliasson has done is carrying on Wallenberg's humanitarian tradition. I urge my colleagues to join me in honoring Ambassador Eliasson.

Mr. Speaker, I ask that Ambassador Eliasson's address to the Swedish Parliament on the fiftieth anniversary of the disappearance of Raoul Wallenberg be placed in the RECORD. It is an outstanding statement of Wallenberg's humanitarian commitment, and it reflects as well the thoughtful commitment to democracy, human rights, and humanitarian action that Ambassador Jan Eliasson represents.

ADDRESS TO THE SWEDISH PARLIAMENT ON THE FIFTIETH ANNIVERSARY OF THE DISAPPEARANCE OF RAOUL WALLENBERG BY AMBASSADOR JAN ELIASSON

Looking back at his life in his autobiography, from the perspective of an ageing man, the philosopher Bertrand Russell said: "Three passions, simple but overwhelmingly strong, have governed my life: the longing for love, the search for knowledge, and unbearable pity for the suffering of mankind. These passions, like great winds, have blown me hither and thither, in a wayward course, over a deep ocean of anguish, reaching to the very verge of despair."

Perhaps Raoul Wallenberg would not have chosen precisely these words if he were looking back on his life today. But Bertrand Russell puts into words what I believe were also Raoul Wallenberg's strongest driving forces. And Russell also formulates the course which Raoul Wallenberg would probably want all of us to take in today's bewildering and violent world.

Most of what I know about Raoul Wallenberg comes from books, and from the think dossiers at the Ministry for Foreign Affairs. But many of the most important and finest things I know about Raoul Wallenberg I have learnt from his close relative, his friends, and some of those who were saved from the Holocaust.

There are three concepts which have been etched into my memory, when I have been going through what I have read and heard about Raoul: action, passion, and it goes without saying, I am going to attempt to describe Raoul Wallenberg as a person in terms of these three words. And I will also be using them as my starting point when I try to explain the example he sets.

What was Raoul Wallenberg's action? We know that he saved the lives of tens of thousands of people, together with brave and loyal colleagues. We know that he helped to prevent the destruction of the ghetto in Budapest, thus also preventing the murder of a further 60,000 people. And we know that he became one of the outside witnesses—the eyes and ears of the international community—in an inferno on earth, at a time of horrific human degradation.

When we read his letters to his grandfather—we must remember that his father died before Raoul was born—we see few signs that he was preparing himself for a task or a role of this nature. He had studied in America, worked in offices in Cape Town and Haifa, and he had discussed various possible careers in some detail with his grandfather. Was he to become an architect, a banker, or a businessman?

From his letters, he seems to have been carefree, active, full of curiosity and ideas and agreeable self-ironic. He once hitchhiked from Michigan to Los Angeles, where his birthday coincided with the pomp and circumstances of the 1932 Olympics. "My birthday was a quiet affair, since I had asked the civic authorities not to go to any special trouble," he told his grandfather in a slightly bantering tone.

Nonetheless, in the years he spent in America, there were already signs that action was waiting for Raoul Wallenberg. On one occasion when he was the victim of a

holdup, he kept his sang-froid, requesting that he be driven to a main road after he was robbed. Afterwards, he merely regretted that he had not made a better job about bluffing about how much money he had on him.

He was restless, waiting for something important to do, something meaningful. It was easy to understand that his heroes were Dumas' three musketeers, and Pimpernel Smith, whose final words in the film were—incidentally—"I always come back".

Nothing seemed to be difficult, or impossible for him. He even believed that he could tackle his incipient baldness if he shaved off all his hair. A man of action, certainly but also man who totally lacked a sense of prestige and who was not interested in appearances.

And then action and Raoul Wallenberg fused together in the summer of 1944. He has six months to save as many as possible of the 200,000 Jews who still remained in Hungary—after the death or the deportation of more than 600,000. "When does the next train leave?" he asked Nina and Gunnar, his sister and her husband when he learnt in Berlin, on his way to Hungary, that the travel agency had given him a day of rest. He could not afford to waste a single hour.

Once he arrived in Budapest, he started to organize things at a hectic pace, designing new protection passports and building up a closely meshed network of contacts—ranging from members of the Jewish Council to the wife of the Foreign Minister, and from his laundress to the detestable Adolf Eichmann, whom he asked to dinner (which he subsequently forgot or subconsciously suppressed, since he was so full of the thousands of other things which he had to do).

The spirit of action was something which expanded ceaselessly, slowly permeating him. When the thugs of the Arrow Cross—Hungary's Quislings—took over the autumn of 1944, the situation became unbearable and the cruelty almost indescribable. Raoul was like the Dutch boy who put one finger after the other in the various holes to stop the dam bursting. Many lives were saved as the result of the meticulous planning, others by ruses and provisions in various languages and in different keys.

But many, many people were murdered before his eyes. And often he arrived too late or was not able to intervene and stop the inferno. He saw people slip away, disappear, die—as when thousands of Jewish women and children, clad in high heeled or thin-soled shoes, were forced to trudge in the slush, day and night, without food and water for 150 miles to the border—and there a fraction of them were subjected to a roll-call, with traditional thoroughness, by Eichmann's command.

I am sure that in these situations he thought of the danger in delay, the damage caused by waiting too long and not acting in time, of being forced to focus on putting out the cruel flames instead of looking for arsonists and the causes of the fire. Arriving in time, to forestall and take preventive action, is basically a question of respect for life and respect for human dignity.

It was with this in mind with Raoul formulated a plan, together with his co-workers, in the last weeks in Budapest, for the rebirth and rehabilitation of the scattered remaining Jews in Hungary. He planned for tomorrow, for survival, in order to plant the trees that must grow. I am convinced that he had this plan in his rucksack—he did not have a briefcase—when he got into the black limousine en route for the Russian headquarters exactly 50 years ago today.

To move on to my second keyword: *passion*, not only Bertrand Russell's compassion, but also Raoul Wallenberg's fervor and capacity to amuse his friends with the quick-fire