The Senator from Idaho [Mr. KEMPTHORNE], for himself, Mr. COCHRAN and Mr. LEVIN, proposes an amendment numbered 19.

The amendment is as follows:

On page 15, line 12, after ''nesses'' insert the following: ''including a description of the actions, if any, taken by the Committee to avoid any adverse impact on the private sector or the competitive balance between the public sector and the private sector.''

VOTE ON AMENDMENT NO. 18

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 18, offered by the Senator from North Dakota.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from California [Mrs. BOXER], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Arkansas [Mr. PRYOR], the Senator from Nevada [Mr. REID], and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Utah [Mr. JEFFORDS], and the Senator from Virginia [Mr. WARNER] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote ''yea.''

The PRESIDING OFFICER (Mr. SANTORUM). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays 0, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—88

Abraham	Faircloth	Mack
Akaka	Feingold	McCain
Ashcroft	Feinstein	McConnell
Bennett	Ford	Mikulski
Biden	Frist	Moseley-Braun
Bingaman	Glenn	Moynihan
Bond	Gorton	Murkowski
Bradley	Graham	Murray
Breaux	Grams	Nickles
Brown	Grassley	Nunn
Bryan	Gregg	Packwood
Bumpers	Harkin	Pell
Burns	Hatfield	Pressler
Byrd	Heflin	Robb
Campbell	Hollings	Roth
Chafee	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Kassebaum	Shelby
Cohen	Kempthorne	Simon
Conrad	Kennedy	Simpson
Coverdell	Kerrey	Smith
Craig	Kerry	Snowe
D'Amato	Kohl	Specter
Daschle	Kyl	Stevens
DeWine	Lautenberg	Thomas
Dodd	Leahy	Thompson
Dole	Levin	Thurmond
Domenici	Lieberman	Wellstone
Dorgan	Lott	
Exon	Lugar	

NOT VOTING—12

Baucus	Helms	Pryor
Boxer	Inouye	Reid
Gramm	Jeffords	Rockefeller
Hatch	Johnston	Warner

So, the amendment (No. 18), as modified, was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. KEMPTHORNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 19

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 19, offered by the Senator from Idaho [Mr. KEMPTHORNE]. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Texas [Mr. GRAMM], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Virginia [Mr. WARNER] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. HELMS] would vote ''yea.''

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from California [Mrs. BOXER], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Arkansas [Mr. PRYOR], the Senator from Nevada [Mr. REID], the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 0, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—88

Abraham	Faircloth	Mack
Akaka	Feingold	McCain
Ashcroft	Feinstein	McConnell
Bennett	Ford	Mikulski
Biden	Frist	Moseley-Braun
Bingaman	Glenn	Moynihan
Bond	Gorton	Murkowski
Bradley	Graham	Murray
Breaux	Grams	Nickles
Brown	Grassley	Nunn
Bryan	Gregg	Packwood
Bumpers	Harkin	Pell
Burns	Hatfield	Pressler
Byrd	Heflin	Robb
Campbell	Hollings	Roth
Chafee	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Kassebaum	Shelby
Cohen	Kempthorne	Simon
Conrad	Kennedy	Simpson
Coverdell	Kerrey	Smith
Craig	Kerry	Snowe
D'Amato	Kohl	Specter
Daschle	Kyl	Stevens
DeWine	Lautenberg	Thomas
Dodd	Leahy	Thompson
Dole	Levin	Thurmond
Domenici	Lieberman	Wellstone
Dorgan	Lott	
Exon	Lugar	

NOT VOTING—12

Baucus	Helms	Pryor
Boxer	Inouye	Reid
Gramm	Jeffords	Rockefeller
Hatch	Johnston	Warner

So the amendment (No. 19) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CRISIS OF CURRENCY AND FOREIGN EXCHANGE

Mr. MOYNIHAN. Mr. President, I rise at the end of our day to speak to the subject with which the House and Senate began the day, which is the crisis of currency and foreign exchange in Mexico and the prospect that, unless there is a quite extraordinary and urgent action in the United States, the Government of Mexico might default on its foreign obligations, a matter which would have repercussions not just throughout the Western Hemisphere, not just in our own economy and that of Canada and the rest of Latin America as already has been the case in Argentina and Brazil, but, indeed, repercussions throughout the world. A world of previously rigidly controlled, usually government-controlled economies that have been moving toward free markets in the general shift of attitudes that have come with the end of the cold war, and with the appearance of wholly new and quite revolutionary currency market systems.

Mr. President, we have to act. We have to act now, immediately. And every day that goes by is a day in which the difficulty of acting effectively becomes more problematic.

ORDER OF PROCEDURE

Mr. KEMPTHORNE. Mr. President, it would be our intent that next Tuesday, at 9:30 a.m. we would again take up S. 1. At that time I would be asking for a unanimous-consent agreement that we would lay aside the next two committee amendments and that we would then have before the Senate the pending business of the amendment found on page 25.

I would not make that unanimous consent request until Tuesday morning. And on behalf of the leader I announce that it is possible that there could be votes prior to the 12:30 recess on Tuesday.

Mr. MOYNIHAN. I was saying that we are in the midst of a regional crisis which could become a global crisis in very short order. Such are the speeds with which currency markets move at this time, such is the enormous amount of capital not controlled by governments. Such is the capacity already in evidence in our region to reconsider the whole degree of risk involved in these new economies. This week's ''The Economist'' speaks of this matter in no fewer than three separate pieces.

I speak, sir, in support of the general outlines as they are understood presently of the agreements reached on a bipartisan basis between the Members of the Senate, the leadership in the House, the administration, and, of course, the Federal Reserve Board in the person of our distinguished chairman, Alan Greenspan.

This morning, we met with Mr. Rubin, our Secretary of the Treasury, Mr. Greenspan, and Dr. Summers, who is the Treasury Undersecretary and is deeply involved in these matters.

A number of persons mentioned the degree to which there was already a reaction in this country—on radio call-in shows and such like—speaking in various degrees of censure and animosity about those in this Chamber and the other body who had supported the North American Free-Trade Agreement and now find themselves having to associate with this emergency action in a crisis atmosphere.

I would like to speak as one who did not support that agreement, who was opposed from the first, and yet who very much supports the measures we are working on even as I speak, and to make the point that this was always a close question in the Senate.

On May 24, 1991, on the issue of giving the administration—then the administration of President Bush—fast-track authority to negotiate a North American Free-Trade Agreement, 36 of us in this body—a large number—voted not to do so. A position which I believe, in retrospect, might have given a little more sense of treading carefully to our negotiators. But there you are.

The agreement was negotiated beginning after that vote, and eventually it came to the Committee on Finance, as such trade agreements do. By then I was chairman of the committee and was one of four members of the committee who voted not to report the bill favorably, although fully intent that the bill be reported, as clearly 16 members of the committee wished to be done, and as the President, President Clinton, had assumed the same position of his predecessor in this regard, as was also the case of the Uruguay round.

The bill came to the floor in November 1993 and, again, the approval was not overwhelming. It was 61 to 38. Of course, there was a great deal of opposition from a very wide range, wide spectrum of opponents, and they might at this point be tempted to assert they had been right all along.

I would like to take a different view. I would like to make the case that the arguments, such as they were, against this agreement had to do with the nature of the Mexican polity. I was one who absolutely supported a free-trade agreement with Canada, a country that has a regime of law similar to our own, a tradition of an impartial and independent judiciary, of free elections, of basically a market system in their economy in which differences, when they arise, are settled according to procedures that are well understood and agreed to by both parties.

It is simply the case, Mr. President, that these conditions still do not exist in Mexico. They are not wholly absent and in no sense can we suggest—can we or ought we suggest—that they will not evolve. But they have not yet done so. The Mexican Government remains fundamentally a one-party state. Other parties are tolerated, and there have been occasions recently in which the PRI, the Party of the Institutionalized Revolution, has, in fact, accepted defeat in a local election.

But, in the main, since the 1920's, there has been one party, and it has dominated all aspects of the national life.

At the time, and particularly under President Cardenas in the 1930's, it was a great achievement. We tend, because of our own tradition, I suppose, to pay a great deal of attention to the onset of revolution and instability, if you will. That, in fact, Mr. President, is a very ordinary event. It happens with the frequency of hurricanes in the Caribbean. A much more rare event in world history is the onset of stability.

Mexico had been a hugely unstable society, largely because—if I can offer a thought, and I see my friend from New Mexico is on the floor and he would have a better, closer sense than I—but the Mexican polity had never developed a device for yielding office.

It has frequently been remarked by American Presidents that the American democracy really began—oh, Philadelphia was fine, the inauguration of George Washington was fine—but democracy really began when John Adams learned he had lost the election to Thomas Jefferson, turned over a mostly empty Treasury, the Great Seal, what there was of the Army, and left for Massachusetts, thinking that he had been a failure when, in fact, he had proven in a democracy that free election can bring a transfer of party and power.

That has never happened in Mexico. What has happened is that the invention was that a President would leave office but he would choose his successor and would find himself frequently in an advantaged and attractive position in the aftermath of a single term.

But it also meant that there were no free elections; and in addition, that there were frequent, dramatic violations of human rights. Freedom House and Americas Watch have recorded this with great care and concern—not hostility, but concern. Americas Watch reported not 2 years ago that torture was endemic in Mexico. Not that it happened here and there, but it was endemic; it was a device of social control, torture—not long prison sentences or the like, but torture as a wholly illegal, extralegal, but normal practice.

The judiciary had no independence. And the outcome of the election was a given, excepting on occasion, very rarely, very infrequently, when another party was allowed to prevail.

In that circumstance, Mr. President, I believed that we would be associating ourselves—we would, as we have done—in intricate economic-social relations with a polity very different from our own and very problematic as regards those aspects of our civilization, our polity, if you like, and of Canada's, surely, which we find of central importance.

And the agreement we reached itself was problematic in certain respects. For example, the Mexican investors had instant access to American markets—open, free, unfettered with that always indispensable feature that you could buy anything you could pay for.

For example, a Mexican firm recently purchased a seat on the New York Stock Exchange. Fine. But the reciprocity you would expect has not taken place. For example, American financial institutions and many other American investors have had very restricted access to the Mexican market. The agreement provided for only limited access, over a very long transition period. Now, at this moment of a financial crisis, the Mexican Government could very much wish it had done otherwise and provided as much access as anybody wished. And, indeed, they now have begun to do just that, even as the agreement provides otherwise. They would be in a stronger position today if they had done so earlier.

They would be in a stronger position today if they had done so in the agreement. But the fact they did not was very characteristic of a regime not to want any other influences that would challenge its own power. This was not an accident. It was a normal response of such a regime, not to let any other influences take hold that they could not control.

Well, sir, they have not been able to do so, and once again we see a crisis of large consequence with international implications. The peso has dropped 40 percent in three weeks or thereabouts. Inflation may reach 40 to 50 percent this year. There is a renewed concern, as a result, along that border that reaches from the Caribbean to the Pacific, with all the consequences for illegal immigration, a matter of very deep concern to States on the border, especially to California.

What are we to do? It seems to me we have no alternative and that we do have a real opportunity. If we act, if we provide $40 billion in loan guarantees, the plan would be for the Mexican Government to pay a fee to compensate us for assuming that risk. That promises technically the guarantor will make money out of such an event in normal circumstances. I do not say this will happen. It could. We issued a very large loan guarantee to the Israelis a few years ago in a matter of providing housing for the sudden, huge immigration that was coming from the Soviet Union, and they were to pay a fee for any bonds backed by our dollar guarantee. They have not used that. They have not exercised that option at all. But were they to do so, we would be in a position of a lender receiving compensation for a guarantee.

But if we do not do this, we face the prospect of not only instability in the currencies of the Western Hemisphere or the developing nations around the

world, we face the prospect of mass instability in Mexico itself. We have seen this in the Chiapas insurgency which is not yet resolved by any means. We have seen it in instances of political killings. I do not want to get in any way abrasive, but I commented on this floor at one point that Mexico is a country where you can murder archbishops and say they inadvertently wandered into the line of fire in a police action involving drug dealers, which was the equivalent of being shot while in church.

Mr. President, Mr. Paul Gigot, in this morning's Wall Street Journal, writes that if we fail to stem the crisis, we ''can expect more Mexican sons and daughters to arrive in San Diego soon''. Unwilling to stay in Mexico, seeking a promise of better opportunities, overwhelming the opportunities of our own people in our own country.

We cannot do that. We cannot risk undermining a reviving Argentina economy, a promising Brazilian economy. We cannot put at risk the efforts around the world of countries that moved away from centrally controlled, to use a French term, ''dirigiste'' regimes in which American investment is kept out, American goods kept out, autarky I think as the economists would call it, and with the result of economic stagnation.

The courage—and it takes courage—to open up, to be part of the world economy is more and more in evidence everywhere. That courage could turn into fear and retreat in a very short order if we do not act.

I would like to congratulate the majority leader of the Senate, ROBERT DOLE, and the minority leader, TOM DASCHLE, for their willingness to meet with the President, in the company of their counterparts from the House, to bring forth a bipartisan American initiative which is very much directed to the protection of American interests, and I hope it succeeds. I hope it finds support on the Senate floor with Senators generally as it has done with the leadership.

I thank my friends for their patience. Mr. President, I thank the Chair, and I yield the floor.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

MORNING BUSINESS

Mr. COHEN. Mr. President, I now ask unanimous consent that there now be a period for morning business with Senators permitted to speak up to no more than 10 minutes each.

The PRESIDENT OFFICER. Without objection, it is so ordered.

UNPROFOR: END ITS IMPOTENCE OR END ITS MISSION

Mr. COHEN. Mr. President, I had the opportunity last evening to join Senator DOLE in meeting with British Gen. Rupert Smith, who will take command of the United Nations force, known as UNPROFOR, in Bosnia later this month. A few other Senators also had a chance to meet with General Smith yesterday.

Senator DOLE and I expressed admiration for General Smith's willingness to take on this unenviable task. But we also expressed skepticism that UNPROFOR can improve its credibility in order to more effectively carry out its limited mission of facilitating humanitarian relief and lessening the violence in Bosnia. But the change in command in UNPROFOR does at least offer the opportunity to try to adopt measures to make UNPROFOR more effective.

I recall that a year ago, when UNPROFOR's leadership was rotating, American military officials responsible for the humanitarian airlift and airdrops in Bosnia proposed to take advantage of the situation to reestablish UNPROFOR's credibility and its ability to fulfill its mandate in Bosnia.

They proposed that UNPROFOR end its ''mother may I?' construct of operations,'' and they outlined a plan by which UNPROFOR, even with its restrictive rules of engagement and limited troops and equipment, could use force to more effectively carry out its humanitarian mission and curb Serb and other harassment of UNPROFOR. These American military officers warned that if such action were not taken, an already bad situation would quickly get much worse.

When he first took command of UNPROFOR in January, Lt. Gen. Michael Rose took actions that suggested he might follow this advice. But this initial promise faded as General Rose became even more pliable to Serb demands than previous UNPROFOR commanders had been. The results have been disastrous:

UNPROFOR has all along had difficulty supplying food, fuel, and medical supplies to Bosnian civilians suffering the privations of war. Now, UNPROFOR cannot be sure it can supply its own emaciated troops.

The United Nations declared a weapons exclusion zone around Sarajevo but refused to enforce it despite routine Serb violations. Now, it has effectively become a Serb-declared exclusion zone from which humanitarian air flights are blocked at the whim of Serb forces.

In the past, UNPROFOR had been humiliated by being compelled to assist Serbs in the deportation of detained Muslims. Now, UNPROFOR has been rendered impotent by having its own forces detained and used as human shields against NATO air attacks. Some UNPROFOR troops seem to have become willing hostages who engage their Serb captors in sports and feasts.

In short, continued UNPROFOR's submission to Serb demands and threats may make it impossible for it to fulfill its mandate. While things appear to have improved in recent weeks, with relief flights resumed and U.N. forces not held hostage, this has only been at the discretion of the Serbs, who can reverse course at any time. All sides in the conflict have sought to manipulate UNPROFOR to their own ends, but Serb forces have largely succeeded in making UNPROFOR a tool of Serb strategy, and the recent improvement should be seen in that light.

This situation will only get worse over time unless UNPROFOR can gain credibility it has never enjoyed.

Either prompt, dramatic action should be taken to establish UNPROFOR's credibility and its ability to do its humanitarian job or UNPROFOR should be withdrawn from Bosnia and Herzegovina.

The plan proposed last winter by American military officers may have worked if implemented then, but it is probably too late toady. Certain elements of that plan, however, are still relevant and even more critical in light of Croatia's recent announcement not to extend UNPROFOR's mandate in that country beyond March 31:

Discredited UNPROFOR leaders cannot change the situation. Any effort to revitalize UNPROFOR must be accompanied by new leaders. General Rose, the UNPROFOR commander in Bosnia, will be replaced on January 24 by General Smith. Yasushi Akashi, the U.N. Secretary General's representative for the former Yugoslavia, must be replaced, as well.

The U.N.-declared no-fly zones and weapons-exclusion zones in Bosnia, now widely flouted, primarily by the Serbs, should be enforced. This includes the withdrawal of SAM's from the zone and deactivation of SAM's in the surrounding area that threaten NATO aircraft policing the zones.

UNPROFOR should no longer tolerate checkpoints operated by belligerents nor should it pay tolls, extortion by belligerents of fuel and other humanitarian supplies. If belligerents question whether a convoy is going to its declared civilian destination, they should be permitted to ride the convoy.

UNPROFOR should organize is convoys along military lines and reject Serb demands that include armored vehicles and similar demands.

Any use of force or threat of force against UNPROFOR should be met with force. While such retaliation must be measured according to its objective, it need not be limited to retaliation against the specific offending forces, given the targeting difficulties often involved and the need for UNPROFOR to acquire the upper hand.

As for the concern that adopting such an approach would endanger UNPROFOR troops now detained by Serbs, the reality is that unless such an approach is adopted immediately, all UNPROFOR troops will be endangered—whether formally detained or not. Action can either be taken to reverse the current situation, or it will only get worse.

If UNPROFOR refuses to adopt such an approach, it should be withdrawn in