the computers of the government, the census, funds for Bosnia—can be funded is taking every penny of it directly out of the surplus.

When Mr. Lockhart, in his first day at the White House says that none of this money will come out of the surplus, it is obvious that Mr. Lockhart either doesn't know how the budget works, or he has gotten a very bad habit in only one day at the White House.

I suggest that Mr. Lockhart set the record straight.

Now, what is relevant here is the following: There were a few people—and I am one of them, so I am sensitive about it—who took the President at his word back in January. That word was ''save Social Security first.'' I would like to vote for a tax cut but I have said, given that we have problems in Social Security, given that we need next year to restructure Social Security and build the financial base of it, I have been willing to forego a tax cut so that we could set aside the whole $70 billion of the surplus to put Social Security first. I feel in this area that I have been trying to do what the President requested. Now I find that the President is not doing what the President requested, that while I have been trying to say no to spending and while I have been trying to say no to tax cuts, the President is saying no to tax cuts, but he is trying to force-feed Congress the largest increase in emergency spending in history.

Mr. BAUCUS. Will the Senator yield?

Mr. GRAMM. Let me finish this thought and I would be happy to yield.

Mr. BAUCUS. What is the pending order?

The PRESIDING OFFICER. The Senator from Montana, by unanimous consent, does control the time between 1 o'clock and 2 o'clock.

Mr. BAUCUS. I am happy to yield 3 minutes to the Senator from Texas.

Mr. GRAMM. That is more than generous and I can complete what I have to say.

Madam President, I have tried to live up to the President's challenge in that State of the Union Address by putting Social Security first, by delaying until next year a tax cut so that we could rebuild the financial base of Social Security and have the money to do it with.

However, I have to say I am very distressed in that while I am trying to carry out the President's policy on a bipartisan basis and not supporting something that I am very much for—a tax cut—the President now is trying to say to Congress I am going to veto your spending bills and shut down the Government unless you spend $20 billion more than you have written into your budget and $20 billion of additional spending that the President didn't even ask for in his budget back in February.

Now we have people at the White House and at OMB who are saying there is nothing extraordinary about what the President is doing and that the amount of money he is spending is not coming out of the surplus. My point is, everything about what the President is doing is extraordinary. It is twice as much as the President, on average, has requested in the past.

It is 20 times as much as the last President requested for emergencies in 1991; it is for programs that have nothing to do with conventional emergencies: Funding for Bosnia, when we have been there 3 years. Why doesn't the President put it in his budget? Funding for the census, which we have done every 10 years since 1789. Why doesn't the President put it in his budget? Funding for the computer problem for the year 2000, when we have known since 525, when the world went to measuring time from the birth of Christ, that we were going to have a year 2000.

Clearly, every penny that the President spends, or forces the Congress to spend, is coming right out of the surplus and right out of Social Security. So I don't believe the President is living up to his word. I don't think he is putting Social Security first, and I don't think it is right.

I thank our dear friend from Montana for allowing me to finish my statement.

I yield the floor.

THE GLOBAL CRISIS, BIPARTISANSHIP AND THE IMF

Mr. BAUCUS. Madam President, in my 20 years in the Senate, I have scarcely experienced a more politically trying time than this. As the nation decides how to cope with an unprecedented political crisis, Congress must not only consider impeachment proceedings but pass spending measures to keep our government running.

More important, a number of serious foreign policy crises demand our attention. From Kosovo to Iraq and Tanzania to Latin America, the need for American leadership has never been greater.

To the extent that we can deal with these issues in a reasoned, bipartisan fashion, the world and the United States stand to gain.

AMERICA'S ROLE

Mr. President, we Americans have a unique role. More than at any time since the early years of the cold war, the world looks to us as a guarantor of peace in regions from Kosovo to Central Africa to Cambodia and the Persian Gulf; as a leader in the quest for prosperity, as we look toward more fair and open trade and an effective approach to the financial crisis; as the pace-setter in science and technology; and as an example of effective democratic government and respect for human rights.

This is a demanding role. We may not have sought it. Some of us may not entirely welcome it. But it is a role that in this post-cold-war world nobody else can fulfill.

Japan is in the midst of a deep financial crisis; Russia and China still in the process of economic reform; Europe concentrated on deepening and expanding the EU. Only the United States can lead.

As the world's largest economy and most trusted trading partner, the United States is unique. I find this sentiment continually reinforced as I travel to Asia, Europe and South America. My counterparts there tell me that there is no one with whom they would rather do business than Americans.

Our openness, respect for the rule of law and willingness to innovate mark the United States as the global leader. It's why we won the cold war, and it's why we are viewed as a relative safe haven in these times of global financial instability.

Mr. President, we are also the world's foremost cultural power. America is the birthplace of the Internet and more than 80 percent of World Wide Web material is in English; our movies dominate over 70 percent of the European market, more than half that of Japan; and there are increasingly few countries where one cannot order a Big Mac in English, pay for it in U.S. dollars and wash it down with a Coke or Pepsi.

Mr. President, I may sound biased, but I think it appropriate that if there is to be a world superpower, the United States should be it. We are not an imperialist country; we respect human rights; we have open markets; and we are the foremost example of this experiment called democracy.

It has been said that our Founding Fathers envisioned a governmental system that is fragmented and dispersed of power. Our Founding Fathers succeeded. Neither the President nor the Congress nor the Judiciary has an inordinate ability to effect change, and that sets us apart from parliamentary systems of government.

But this is the system we have, and while we must accept its limitations, we must also praise its virtues for making us the wealthiest and most powerful nation in the history of the world.

We must also work especially hard to facilitate more contact between Congress and the Executive, and between the parties that make up our unique political system.

And we must accept that despite the current political crisis, Bill Clinton is still our President. Whatever the outcome of impeachment proceedings, crises the world over will not wait.

Americans have a duty—bipartisan, bicameral, and bi-institutional—to lead.

Like or not, this is a role we must fulfill—for the sale of our own people, because if we do not lead, Americans will pay the price in a more turbulent, dangerous world.

So while we may at times have differences, as individuals or as Democrats and Republicans, we must also at times put these differences aside and remember our larger responsibililities.

ASIAN FINANCIAL CRISIS

We see this very clearly in the Asian financial crisis. In the past eighteen

months, an event which began with the devaluation of the Thai currency has become a crisis threatening nations all over the globe.

It has brought cataclysmic change to Indonesia, a nation of 200 million people. It has threatened the stability of Russia—a nuclear power whose efforts toward reform will help determine the future of Europe. It has shaken the economies of South America and South Africa.

And this year, it has come home to the farms and the farmers in our country. And I can say that particularly of my State of Montana, as our export markets have dropped. Asians are not buying our wheat. Prices have fallen and families have faced the worst threats they have faced in recent years to their future in farming.

On such an occasion, the United States must lead, both in long-term reform and in short-term emergency action.

In the long run, we need to carefully examine our international financial policies. This includes the question of whether the international financial institutions have enough capability to monitor the health of foreign financial systems.

And it includes the search for ways to improve our ability to predict financial crises and thus prevent them from spreading around the world. That must be a careful, deliberate process.

In the short run, however, we need to do two things.

First, the Administration should speed up and perhaps augment food relief to Indonesia and other countries that may be threatened by hunger. The President has committed to provide 2.5 million tons of wheat to these people, and the Administration has now disbursed about 25 percent of that. We need to do better.

We are already hearing reports of malnutrition in Indonesia; and our farmers are watching prices decline by the week. When people need food and farmers need relief, we need to act fast and we need to act boldly.

Second, we in Congress ought immediately to pass our contribution to the International Monetary Fund.

RESULTS OF IMF PROGRAMS

Last year, the IMF organized recovery programs for Thailand, Indonesia, Korea, the Philippines, and Russia. And while even the best-off among these countries still face difficult times ahead, it's clear that those which have implemented IMF programs most efficiently now have the best prospects for early recovery.

The Philippines, which under Presidents Aquino and Ramos carried out financial reform monitored by the IMF, has suffered less than any other affected country.

Thailand, where the present Democrat Party government has overseen the closure of 56 finance companies and the nationalization of four banks, has seen the baht recover from a low of 57 to the dollar this February to a stable band around 40 since March. This means a reduced debt burden for Thai companies and an earlier recovery.

Korea, where President Kim Dae-jung has committed to breaking up the monopolies and closed markets many of us have protested in the past, has also seen currency rates rise.

By contrast, those countries which did not implement reforms early—in particular Russia and Indonesia—now face a far more difficult future.

The Indonesians—including the government as well as the citizen movements which sparked last spring's ''reformasi''—have on the whole peacefully changed a 30-year-old government; and moved on to open the press, set an election time-table, and begin economic reform. They deserve our support.

CRITICISMS OF IMF FUNDING

Some of course have criticised the IMF programs on the merits. And it is true that these programs have not always been flawless.

For example, some have criticised them as ''austerity programs'' requiring too much economic sacrifice. To some extent I have shared that criticism. For example, I said last February that their Korea and Southeast Asia programs were mistaken in asking for budget cuts during a deep recession.

But they have learned and improved over time. In Thailand, the initial IMF requirement for a budget surplus at 1 percent of GDP has been dropped and replaced with a deficit of 3.5 percent GDP.

And in a larger sense, had the IMF not been there to provide loans when Thailand and Korea were threatened with default, we would be much worse off today.

Others have expressed fears that these programs will create a ''moral hazard.'' That is, emergency IMF loans will encourage other countries to make the same types of mistakes later. I find this theory completely untenable.

A glance at daily papers—let alone a visit to Southeast Asia or Korea—will show you families pulling their children out of school because they can't afford to pay tuition; men spending all day in local parks because they are ashamed to tell heir families they have lost their jobs; governments choosing between money for schools and money for food relief.

No country anywhere in the world will want to repeat their experience.

NEED TO ACT NOW

Thus, our experience with these programs is clear. Those countries which have implemented reforms are by no means in good shape, but their situation is much better than those which have not.

And as we face the prospects that the crisis may spread beyond Asia, we must make sure the IMF has the resources it needs to address any new emergencies. If we do not, we run a tremendous risk.

Imagine how much worse, for example, the crisis in rural America will become if we do nothing in the face of threats to Mexico, Brazil or other critical Latin American markets. The pressure we are under because of the decline in our Asian markets could double overnight.

After bailing out Russia, the Fund's coffers are nearly empty, the IMF having had to draw on a credit line not used since 1978. If the House does not act soon, it risks jeopardizing global and American economic viability by rendering the IMF broke and unable to deal with future crises.

To quote the Economist Magazine:

> If the Fund runs out of money—a real possibility if Congress remains obdurate—the next emerging market collapse could trigger a default that would spill over, fatally, to all other emerging markets. And since rich countries now account for barely half of world output, that could easily mean a global slump. Even the most isolationist congressman would hardly welcome that.

Madam President, it should be noted here that allocating funds for the IMF has no budgetary impact. A capital increase in the IMF is paid for with an exchange of assets, not cash. Any country has a right to demand that its contribution to the Fund be returned—at any time.

So we need to act now. We need to put political disputes aside and focus on our larger responsibilities. Thus, on a bipartisan basis and with particular credit due to Senator HAGEL, the Senate has now twice voted to approve our full IMF quota. The House, however, has approved only a bill providing $3.4 billion for the IMF's New Arrangements to Borrow.

This is very disappointing in itself. And I am even more troubled that some in the House have apparently decided to link this issue to support for family planning overseas. That goes beyond disappointing to irresponsible.

Abortion is, as we all know, among the most heated and emotional issues we have. We can debate our views and the right way to support family planning on its own merits. But to link this question to IMF funding threatens our ability to address a financial crisis of world magnitude.

U.S. RESPONSIBILITIES

Madam President, those affected by this crisis are democracies and treaty allies: Thailand, the Philippines, and Korea. They are countries attempting to build democracy in the face of enormous challenges: Indonesia and Russia. They are Montana farmers and factory workers. And we must do the right thing.

As Surin Pitsuwan, the immensely capable Thai Foreign Minister, said in his recent visit to Capitol Hill:

''We look to Washington for leadership. We need the dynamism, the energy, the focus from Washington. There is a need for leadership, and that leadership is only here.'' That is the United States. ''That is the expectation of the world.''

Madam President, let us prove him right. It is time to act; it is time to lead.

Let us search, carefully but seriously, for financial reforms that will create a more stable world economy.

Let us push ahead more quickly and globally with food relief, pay our U.N. dues, pass fast track, and, above all, I urge the House to act without any further delay to pass our IMF quota. That is the very least we can do now in exerting responsible American leadership in the world.

AG CRISIS IN AMERICA

Mr. BAUCUS. Madam President, I stand before you today with a heavy heart.

Why? Because I am extremely disappointed and terribly frustrated that despite our best efforts, the Agriculture appropriations conference report has completely missed the mark in responding to the crisis in farm and ranch country.

As I see it, we had four issues that were worthy of bipartisan support in this conference.

Proposals that would have delivered immediate support to our producers suffering from unusually low prices and natural disasters.

Disaster assistance is necessary; uncapping those market assistance loans is necessary; mandatory price reporting; and, improved meat labeling—all would have helped just a little but would still have helped tremendously in view of the depths of the situation.

Perhaps we've come to a meeting of the minds on natural disaster assistance. And, we should. No one can argue that drought, disease, flooding, and now hurricanes have devastated crops across the board and across the country. But what brought us to this point in the first place; that is, the crisis facing rural America? Extraordinarily low prices, prices rivaling the disaster of the 1980s, with no end in sight. And what did our Republican ag conferees deliver? Thirteen cents a bushel for wheat.

To be honest, it is an outrage, it is an insult, it is a slap in the face to every hard-working, struggling, desperate grain farmer. And the so-called ''relief'' is equally inadequate for every commodity.

The agriculture conference committee looked at the options, including a package offered by Senators DASCHLE and HARKIN that would have lifted loan caps and extended the term of the marketing loan. But they shot it through the heart.

We should have laid aside our partisan politics and done what was right for folks back home—giving them relief enough to make it through the crisis so they don't lose their family farm this year. The Daschle-Harkin plan to lift loan caps would give our producers roughly 60 cents a bushel—not 13 cents but 60 cents—a far cry from the pittance included in the conference report.

I think we can do better. We must do better. In the 1980s we spent nearly $16 billion in just 1 year to get through that agriculture crisis. Now we are asking for half of that on a one-time, 1-year bases. Is that too much to ask? Too much to ask to help provide some relief?

In Montana, the U.S. Department of Agriculture estimates that the Daschle-Harkin plan would provide Montana producers with $100 million more than the plan of 13 cents proposed by the other side. Every precious dollar counts to those in Montana's largest industry.

What happened to the other parts of the package that passed the Senate—price reporting and mandatory imported meat labeling? We lost the fight to the House—an easy fight, a bipartisan fight. The result now is that we have a 6-month study on both price reporting and meat labeling—just a study.

You tell me how I can tell folks back home that they have to wait for a report when they already know things aren't right in the market. They see it every day. I hear it every day in telephone calls I make to home. When I go home and talk to producers worried about holding onto the farm, or the ranch, or passing it on to their children, these people aren't complainers, they are hard workers who believe in the land and doing what is best for their community.

If we do not help them, no one will. We don't need to study the problem more. Rather, we need to fix it. What will this conference report send home? It will send home rhetoric, not help them as they need help.

Madam President, we still have time. The clock is ticking. But I say let's get to work. We have to work together on both sides of the aisle to help people in our country, people who are not Democrats, people who are not Republicans, people who are not Independents—people who are America's farmers.

A decent cash influx for bad prices should be part of a bipartisan package; adequate disaster assistance and real price reporting and meat labeling. That is not asking much at all. That is what we should together agree to. Then together we can send a message from both sides of the aisle that we won't go home emptyhanded; that we are here to help our people; that this Congress did something right. It is simple. We should have sent this bill back to conference and crafted a package that would have really done something to halt this crisis. That is no longer an option.

I encourage my colleagues to vote against the conference report which will be before us. If the report is not adopted, that is, the vote is not successful, then I say let's go back to work and do the right thing. On the other hand, if the vote on the conference report is successful, as it may well be, then I expect the President will veto it, as he should. Maybe then we can sit down and roll up our sleeves and figure out a way to adequately help our people.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AGRICULTURAL, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the report will be stated.

The assistant legislative clerk read as follows:

> The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4101), have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 2, 1998.)

Mr. COCHRAN. Madam President, pending before the Senate at this time is the conference report on the fiscal year 1999 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act. We present this conference report for the Senate's approval this afternoon.

The agreement provides total new budget authority of $55.7 billion for programs and activities of the U.S. Department of Agriculture—except for the Forest Service, which is funded by the Interior appropriations bill—the Food and Drug Administration, the Commodity Futures Trading Commission, and expenses and payments of the farm credit system. This is $6 billion more than the fiscal year 1998 enacted level; it is $1.9 billion less than the President's request level; it is $192 million less than the House-passed bill, and it is $1.1 billion less than the Senate-passed bill level.

The changes that were made in conference on mandatory funding requirements account for the overall increase from the fiscal year 1998 enacted level, principally reflecting a $2.6 billion lower estimate for Food Stamp Program funding requirements, higher Child Nutrition Program expenses, and a $7.6 billion increase in the payment to reimburse the Commodity Credit Corporation for net realized losses. The conference report also provides an additional $4.2 billion in emergency appropriations to assist agricultural producers and others who have suffered financial hardship due to adverse weather conditions and loss of markets.

Including congressional budget scorekeeping adjustments and prior