

governments as well as with collective European institutions to prevent such conflicts in the future, and to increase our capacity to resolve them if they do occur.

There are many organizations that have vital roles to play in this regard, notably the OSCE. But as we are now seeing in the Balkans, the two most important institutions are, and will continue to be, the EU and NATO. The EU is the foundation for future economic growth and prosperity across the continent, while NATO is the bulwark of transatlantic security and the linchpin of American engagement in Europe. Let me say a word about why both should take in new members.

Over the past six years, virtually all of the peoples of Central Europe and the former Soviet Union have undertaken dramatic reforms. They have toppled communist dictatorships, liberalized command economies, and begun the hard work of building stable, secure, independent, democratic, market-oriented and prosperous states, at peace with their own populations and at peace with their neighbors. But those reforms are not guaranteed to continue or succeed. All of these countries, whether they have gained their freedom for the first time or recovered the sovereignty that they lost earlier in the century, are embarked on a difficult transition that will take years, if not decades, if not a generation or more. It is in our interest as well as their own that they succeed.

That is why the United States is counting on the European Union to expand. Only the EU can offer the newly liberalized economies of these newly liberated nations the markets they need to continue and complete their evolutions. Only EU membership can lock in the essential political, economic and social reforms that these emerging democracies are now implementing.

We understand the political difficulties involved in expansion. We know that the candidate members will have to work hard to meet the conditions of membership. But we also hope that current EU members will approach the question of expansion with an open mind, understanding the benefits to all.

Now, a few words about NATO—an organization that includes twelve members of the EU but that also serves as an anchor of American and Canadian commitment to the Continent's security. Earlier today, NATO Secretary General Willy Claes held a briefing in Brussels for representatives from twenty-six nations in Central Europe and the former Soviet Union on the rationale and process of NATO enlargement. This morning, as part of President Clinton's commitment to full consultations with Congress, we provided staff members with that same briefing.

As today's briefings make clear, the enlargement of NATO will bolster democratization and regional stability in the region that used to be the domain of the Warsaw Pact. But this process is going to require skill and steadiness in many respects. We must—pursue the goal of NATO enlargement in a way that genuinely and comprehensively advances the larger one of integration; that does not, in other words, create a new division in Europe.

With that imperative in mind, the Alliance is well on its way to developing new ways to promote cooperation with the armed forces of the non-NATO European states. Under the banner of the Partnership for Peace, nations that have been enemies in the past are now conducting joint peacekeeping exercises: Albanians and Greeks, Bulgarians and Turks, Hungarians and Romanians. In August, soldiers from three Allied and fourteen Partnership countries trained together at Fort Polk in Louisiana; another set of exercises will begin in Vyskov in the Czech Republic this weekend; and starting on Monday there will

be a maritime training maneuver in the Skagerrak Channel off the north coast of Denmark.

In order to ensure that NATO enlargement does indeed serve the larger cause of post-Cold War integration, the Alliance is prepared, in parallel with the process of bringing in new members, to conduct a dialogue, and eventually to develop a more formal relationship, with the Russian Federation. That way, all parties will be assured that the emergence of the new security order in Europe respects, and enhances, their legitimate interests.

This goal may sound rather abstract, but we have, in the work that our governments are doing with the Russian Federation today, an opportunity to make cooperation between NATO and Russia concrete, practical, productive and promising, both for the immediate cause of peace in the Balkans and for the long-range one of European security and integration.

Earlier today, President Clinton and Foreign Minister Kozyrev met in the White House and agreed that Russia and the members of NATO have a shared interest in cooperating closely in implementing the settlement that will, we all hope, emerge from the current negotiations. Of course, any U.S. participation in a peace implementation plan will be under NATO command and control, and we are committed to full consultations with the Congress as the planning unfolds.

So the paradox of the former Yugoslavia can, I believe, still be turned to a net advantage for the future of Europe: the most immediate and dangerous challenge we face offers a historic opportunity for pan-European and Transatlantic cooperation. In the relatively near future, peacekeepers from NATO and former Warsaw Pact countries could be working side-by-side to implement a peace settlement.

Let me close with reference to a European city that is not represented by any of you here tonight: Sarajevo. In 1914, its citizens heard the first shot of what became known as the Great War, the conflagration that plunged Europe into darkness. Seventy years later, another generation of Sarajevans were the hosts of the 1984 Olympic Games. They distinguished themselves, however briefly, in the eyes of the world as a model multi-ethnic, multiethnic community. Serbs and Croats—Orthodox, Catholics, Jews and Muslims—lived together in harmony.

For most of the past four years, this same city has been besieged; its citizens struck down by snipers and torn limb from limb by mortars; its outskirts the site of mass graves for the victims of genocide.

But there is now some hope that this same city could, before this year is out, be universally recognized, including by Serbia and Croatia, as the capital of a unitary state of Bosnia and Herzegovina. In which case it would be, once again, as it was during the Olympics eleven years ago, a symbol of Europe's—and the world's—noblest aspirations.

We might dare to imagine that a politician from Sarajevo may, in the not-too-distant future, take a seat in the European Parliament. In that capacity he or she might even have the honor, as I have tonight, of addressing a meeting of this biannual interparliamentary gathering.

Of course, that will happen only if the current negotiations stay on track, and that's a very big if indeed. So it's appropriate, Mr. Chairman, that at the end of the evening tonight, you'll be serving us coffee and not champagne. It's too early to celebrate a victory or congratulate ourselves on success. There's plenty of hard work ahead. But it's not too early to see where we want to go and to reaffirm our determination to get there together.

RUSSIA AND NATO EXPANSION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. SMITH of New Jersey. Mr. Speaker, the ink had hardly dried on Russian President Boris Yeltsin's secret decrees authorizing military intervention in Chechnya last December when he arrived in Budapest for a summit meeting of the Conference, now Organization, on Security and Cooperation in Europe [OSCE]. Ironically, the summit agenda included adoption of a so-called Code of Conduct on Politico-Military Aspects of Security aimed at, among other things, promoting the peaceful settlement of disputes. The Code also reiterated the sovereign right of participating States to join alliances, a contentious point which has had a chilling effect on United States-Russian relations as a growing number of European states seek to join NATO. At a Budapest news conference, Yeltsin decried eastward expansion, warning of the growing prospects for what he termed a "cold peace" and cautioning against creation of new lines of demarcation in Europe which would "sow the seeds of mistrust."

Mr. Speaker, Moscow's preoccupation with NATO expansion diverts attention away from the real threat to Russian security and stability—the Kremlin's failure to resolve crises, such as the conflict in Chechnya, through peaceful means. President Yeltsin has, himself, sown the seeds of mistrust in the fertile killing fields of Chechnya. Veteran Russian human rights activist Sergei Kovalev, who appeared before the Helsinki Commission earlier this year, recently warned of an increasing militarization in Russia, resulting from the Chechen conflict, which could undermine moves toward democracy in his country. Last December, Yeltsin suggested it premature "to bury democracy in Russia." Time will tell if Russian democracy can weather the turbulent storm brewing on the horizon as the country prepares for a new round of parliamentary elections later this year.

"If history teaches anything," President Reagan once observed, "it teaches self-delusion in the face of unpleasant facts is folly." Mr. Speaker, it appears that, at long last, the Clinton administration may be beginning to come to terms with present realities in Russia. Deputy Secretary of State Strobe Talbott stated last week that "there is great uncertainty about the future in the East * * * and we have to be prepared for the worst even as we do everything we can to bring about the best." An expanded NATO, Talbott acknowledged, could protect Europe from possible turmoil in Russia. His remarks came after an official visit to Moscow. Meanwhile, Secretary of Defense Perry, on a tour of capitals of several leading candidates for NATO membership, signaled a growing determination to proceed, albeit gradually, with NATO expansion.

In a related development, NATO ambassadors in Brussels last week gave preliminary approval to criteria which could govern expansion of the Alliance beyond its current 16 members. To date, 25 countries, including Russia, have joined the Partnership For Peace Program. The expansion study, to be presented to interested countries on Thursday, will, I hope, provide much-needed impetus to

the process of enlarging NATO. A number of countries, including Romania, Hungary, Latvia, Lithuania, and Ukraine have already asked NATO to dispatch missions to their capitals in order to receive further details on the process.

Russian reaction to these developments has been predictably sharp. Moscow's vocal opposition to NATO expansion could, ironically, further solidify support for membership in former Warsaw Pact countries and, perhaps, in some of the New Independent States.

Mr. Speaker, I urge the administration to resist firmly any attempt by Russia to veto NATO expansion, in general, or the admission of any state or states, in particular. President Clinton should clearly communicate this point to President Yeltsin when the two meet next month in New York. It is my view that every state should be given the same chance to pursue NATO membership, including the Baltic States and Ukraine.

It is up to Russia to determine what, if any, relationship it is interested in pursuing with the Alliance. Mr. Speaker, the process of NATO expansion should not be further delayed as the Russians attempt to sort out their own affairs. Mr. Speaker, a democratic Russia has nothing to fear from the expansion of a voluntary defensive alliance founded upon democratic principles and norms of behavior. Russia has sown the seeds of mistrust through its brutal military campaign in Chechnya and it is up to the Russians to demonstrate that they can indeed be a reliable partner with the West.

STATE INFRASTRUCTURE BANKS— INNOVATIVE FINANCING FOR OUR TRANSPORTATION NEEDS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. McCOLLUM. Mr. Speaker, today I have introduced the State Infrastructure Banks Act of 1995. This bill will provide new opportunities for State and local governments to finance vital transportation infrastructure needs.

This act gives States the option of creating State Infrastructure Banks [SIBs]. SIBs are infrastructure investment funds designed to provide States with a variety of financing options for infrastructure projects.

Traditionally, Federal transportation funding programs offer only one form of financial support—reimbursement grants. SIBs offer a new financial concept for funding transportation programs which cannot be accommodated within the structure of traditional Federal reimbursement programs. With traditional grant programs the Federal share of a project's costs is set, usually at 80 percent, and there are not alternative ways to finance the transportation projects. This act would allow States to transfer up to 15 percent of their federally apportioned transportation funds into SIBs. States would then utilize the SIBs to tailor the role of Federal funds to a project's needs. This is especially important when over time the project needs change.

In addition, SIBs would encourage innovative financing partnerships between the public and private sectors. Private financing sources are very interested in investing in public infrastructure. Unfortunately, the traditional Federal

funding requirements do not provide these potential investors with any opportunity. SIBs provide States with a range of loan and credit options for each infrastructure project. Such options may include low interest loans for all or part of a project, loans with interest-only periods in early years, construction period financing and more. Other potential investors may include the bond market, commercial banks, construction consortia, mutual funds, insurance funds and retirement funds.

Current funding approaches do not allow infrastructure development to keep pace with the private economy it is designed to serve. Historically, Federal transportation programs require that States obligate Federal-aid funds on a so-called pay-as-you-go basis. In effect, this requires that project sponsors have all the cash required to build a project available well before beginning construction. In private sector terms, this structure effectively dictates that States fully fund a project's costs with 100 percent government equity before construction begins. The sectors of the economy that depend on transportation do not wait until 100 percent equity financing is available before they begin development. As long as infrastructure financing practices are tied to the current rules, infrastructure investment can be expected to perpetually lag behind the economy's needs and demands.

By requiring the accumulation of all capital as equity in advance, traditional funding rules actually result in deferred reconstruction projects. This serves to drive up construction costs much more rapidly than inflation rates due to the increased rate of deterioration of the infrastructure. As a result, projects cost more than anticipated. Therefore, fewer projects can be undertaken.

Additionally, SIBs allow the States to leverage decreasing Federal funds. Historically, the Federal Government substantially underwrote the costs of new transportation projects often with reimbursement grants of up to 90 percent. Today, the Federal Government's share of investment in transportation infrastructure is estimated to be only 30–40 percent of total investment.

Leveraging is accomplished in the State Infrastructure Bank Act of 1995 by giving SIBs the option of using Federal funds as a capital reserve. The SIB may then borrow money in the bond market and establish a significantly larger loan fund. Another way of leveraging is to use the funds as a credit reserve for enhancement and support of privately financed projects by using reserve ratio accounting methods. This maximizes Federal dollars.

SIBs also maximize taxpayer dollars used for transportation in other ways. With SIBs, this same money can be recycled numerous times for making several different loans for infrastructure needs. Second, the initial Federal investment is expanded with each new loan when they are repaid with interest.

A modern transportation infrastructure is a critical element for creating economic development and job growth. Additionally, these improvements in our transportation networks generally enhance the quality of life for everybody. I believe the State Infrastructure Banks Act of 1995 offers solutions to the inherent problems of the current funding mechanism and better accommodates the needs of our Nation's infrastructure.

RENE ANSELMO TRIBUTE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 29, 1995

Mr. RICHARDSON. Mr. Speaker, I want to ask my colleagues to join me in paying special tribute to a remarkable individual whose long and distinguished career can forever be a symbol of determination, perseverance and audacity. Mr. Rene Anselmo, who died earlier this month from heart disease, was not only the millionaire chairman of Alpha Lyracom Space Communications, operating under the name Pan American Satellite, but also made a lasting contribution to the Hispanic community by helping to create television's Spanish International Network [SIN], now Univision.

Reynold Vincent Anselmo was an energetic and restless young man who joined the Marines in 1942 at the age of 16, spend 3½ years as a World War II tail-gunner, and completed 37 missions in the South Pacific. After the war, he enrolled in the University of Chicago's Great Books programs and after earning a theater and literature degree in 1951, he moved to Mexico where he discovered an affinity for Hispanic culture.

In Mexico, Mr. Anselmo directed and produced television and theater shows, and in 1954 he started working for Mexico's largest media company, Televisa, selling its TV programs to other Latin American companies. His hard work and dedication attracted the attention of Mr. Emiliano Azcarraga Vidaurreta, the founder and head of Televisa, who in 1961 hired him to start up television's SIN, now Univision Two years later, Mr. Anselmo moved to New York to manage SIN and oversee the TV stations.

At that time, Hispanics comprised less than 5 percent of the U.S. population, and the only Spanish-language stations were on the UHF channels that most TV sets were not then equipped to receive. Mr. Anselmo, however, used his Mexican connections and experience to build the business. By 1984, SIN had 400 TV stations and cable affiliates and served the more than 15 million Hispanic people in the United States who represented the fastest-growing segment of the population. SIN provided an alternative to the U.S. media, which did not pay too much attention to the Spanish community or when it did, cast it in a less than favorable stereotype.

In 1986 SIN was under siege by the Federal Communications Commission, which claimed that SIN's ownership violated rules against ownership of United States networks by aliens. As a result, Mr. Anselmo abdicated his position in 1986 and separated from his old friend and partner Mr. Azcarraga. Instead of retiring, Mr. Anselmo founded Pan American Satellite Corp. [PanAmSat], the world's only private global satellite services company. To do this, Mr. Anselmo had to fight against steep odds to break the monopoly on satellite transmission of video images held by the International Telecommunications Satellite Organization, or Intelsat owned by 120 governments, including the United States.

Before Mr. Anselmo launched his satellite company, no one had challenged Intelsat's international monopoly. Today, PanAmSat handles a significant share of transatlantic news, transmissions by ABC, CBS, CNN and