

Mr. FRANK of Massachusetts. Mr. Chairman, I understand that. Reclaiming my time, the gentleman is limited in the amount of time he can state the obvious. Yes, if you are a profit-making corporation and you are going about the business of trying to make a profit, this amendment does not protect you. You could be subject to RICO. I agree.

If General Motors was accused of trying to sell girl scout cookies in a racketeering way, you have come to their defense. But if someone said, corporation X is guilty of racketeering in its profit-making corporate entity, they are not protected. I do not think that ought to be the case. I do think there have been abuses of RICO, but against profit-making entities trying to make a profit. Indeed, if you look at the pattern of RICO, it is more often used by one civil plaintiff against a civil defendant and a profit-making corporation.

I do not know what play they are going to call in the huddle, but we may be about to see version five. I have four versions and seven people working on amendment 5.

Let us go to a hearing. Let us go to a markup. I do not think we should have the markup right here. It is not polite. I think we ought to do this in the regular order. But this amendment says, if you are engaging in profit-making activity, and you have a profit-making purpose, you get no benefit. You are covered by RICO.

RICO says you cannot get together for racketeering purposes. I would not suggest that that is what is going on over there, Mr. Chairman. What they are trying to do is what we should do in the regular legislative process. Let us have a hearing and do this in a sensible way.

Mr. COBURN. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN pro tempore (Mr. ROGERS). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COBURN. Mr. Chairman, I recognize the pertinent comments of the gentleman from Massachusetts, and would say that many of his comment are accurate, and that given his comments being accurate, I ask unanimous consent to withdraw the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I would look forward, as I think many on our side would, and I know the ranking member would, we would love to reexamine the RICO statute across the board and deal with abuses, and on that basis I thank the gentleman and we will be cooperative.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I want to suggest to the gentleman from Oklahoma (Mr. COBURN) that he has performed a signal service by bringing this matter to our attention. Yes, it is in the wake of a jury verdict and a court case that happened in Chicago, but he is highlighting a problem this Congress has wrestled with for years; namely, trying to make some sense out of the RICO statute.

There are abuses where it is applied where it was never intended to be applied. That is recognized by the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Michigan (Mr. CONYERS) and conservatives on this side. We need to look at RICO. And so if the gentleman is generous enough, and he has been, to withdraw his amendment, I pledge the Committee on the Judiciary will take a hard look at revising the RICO statute, hold hearings, working in a bipartisan way with the minority, and try to come up with a bill that does something substantive and correct what we all agree is an egregious flaw.

Mr. COBURN. Mr. Chairman, I thank the gentleman.

Mr. FRANK of Massachusetts. Mr. Chairman, if the gentleman will continue to yield, we may wind up invoking that great quote from Edward G. Robinson in the civil situation, "is this the end of RICO?"

Mr. HYDE. That is from Little Caesar, and I remember it well. The gentleman and I are the only two.

Mr. COBURN. Mr. Chairman, I ask unanimous consent that the amendment be withdrawn.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as modified.

The amendment in the committee nature of a substitute, as modified, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SNOWBARGER) having assumed the Chair, Mr. ROGERS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1252) to modify the procedures of the Federal courts in certain matters, and for other purposes, pursuant to House Resolution 408, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the

Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 1252.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN EN-GROSSMENT OF H.R. 1252, JUDICIAL REFORM ACT OF 1998

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1252, the Clerk be authorized to correct section numbers, punctuation and cross references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 1252.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### APPOINTMENT OF CONFEREES ON H.R. 3579, 1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3579) making emergency supplemental appropriations for the fiscal year ending September 30, 1998, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. OBEY.

Mr. OBEY. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3579, making emergency supplemental appropriations for the fiscal year ending September 30, 1998, and for other purposes, be instructed, within the scope of the conference, to agree to funding for the International Monetary Fund consistent with the terms, conditions, and provisions of H.R. 3114, as reported by the Committee on Banking and Financial Services.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. OBEY) is recognized for 30 minutes, and the gentleman from Louisiana (Mr. LIVINGSTON) is recognized for 30 minutes.

Mr. SANDERS. Mr. Chairman, I wonder if the gentleman from Louisiana is, in fact, in opposition to this IMF bailout?

Mr. LIVINGSTON. I am in opposition to the motion.

Mr. SANDERS. Mr. Speaker, I thank the gentleman.

□ 1745

Mr. OBEY. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I am in a curious position here today. I am offering a motion to instruct to the conferees to defend what would have been considered a core Republican value when I first came to this body.

When I came to this body, the Republican Party was a very strong internationalist party, and it recognized that the best way to defend our own economic interests was to make certain that our economy was operating in a world which was as stable as possible. We are being asked to appoint conferees tonight on a bill which is supposed to contain not only supplemental appropriations for Bosnia and for Iraq and for flood victim relief, it is also supposed to contain, at least the administration asked us to include in this proposition, full funding for the IMF replenishment and funding, as well, for the United Nations arrearages so that we can eliminate our debt status in that organization.

I have a motion here tonight which would instruct the conferees to at least accept, as an add-on to the bill passed by this House, to accept our obligation to fully fund the administration request for the IMF.

I am not doing that because it will help American business, although it certainly will. I am not doing that because I care about what is going to happen in Asian countries around the world. I care, but that is not the reason I am offering the motion. I am offering this motion because we need to be aware of the fact that what happens in our economies around the world can have a crushing effect on American workers and a hugely negative effect on the American economy.

We have seen what has happened in Asia when that region has continued to engage in fiscally ludicrous acts. We have seen Japan for years follow an economic policy which has led to a huge over-building in many areas in Asia instead of having led to a growth in Japanese consumption. And we have seen speculative activities, as well, in Asia. And, as a result, a few months ago we saw a huge collapse of Asian currencies.

I do not worry about that because of what it means to Asia. I worry about that because of what it means to us. Because what it means is that, as a result of those devalued currencies, we have got every cargo ship known to man being loaded with artificially low-priced foreign goods who are on their way to the American economy and they are soon going to be sold in this

economy at cut-rate prices because of currency disequilibrium; and those sales and the accompanying trade deficits are going to cost many American jobs and they are going to close many American factories.

We are being told that, in spite of that threat, we should not act upon it because, somehow, an element of the majority party caucus still wants to use this IMF crisis as leverage in order to push their advantage on a totally unrelated issue involving family planning policy known as the Mexico City policy.

And so, the American business community is being told that they should wait for another day to have this problem addressed. I do not think we can afford to wait for another day. At any moment, the act of some speculator, the run on country's currency could cause a further unraveling of the situation in Asia, which would present us with even bigger economic problems. At any time, we could have a currency crisis in the Ukraine, in Brazil, in Russia, in India, in Turkey; and, without IMF replenishment, we would not be ready to defend the economic interest of the United States.

My motion would simply instruct the House conferees to agree to the administration's request for funding of the International Monetary Fund under the terms and conditions approved by the House Banking Committee. That Banking Committee bill was approved on March 5 with the overwhelming bipartisan vote of 40-89, with the support of virtually all of the Democrats on the Committee and the votes of two-thirds of the Republicans on the committee. And that bill was endorsed by the administration.

That bill sets tough new labor rights and environmental conditions on IMF lending, as well as new requirements for increased accountability and transparency at the IMF. It sets up a watchdog group, including representatives from labor and NGO groups, to review the implementation of labor rights and other criteria. And it does a number of other things.

I do not think that we can afford to wait, and I do not especially think it is a good idea to allow us to go to the Senate and have only the Senate language on the table, language which was much more favorable to the administration, frankly, but language which I do not believe adequately defends the interest of American workers.

That is why I would simply say to those of my colleagues who have told their workers or their businesses or their farmers that they are going to be defending the economic interest of American workers, I think this is the time and this is the vote. This is not a partisan issue. It certainly should not be a partisan issue. It has become wrapped up in partisan hostage politics, unfortunately, but it should not be so.

We are here tonight to answer the question whether or not we will defend

the economic interest of the United States and to defend the interest of American workers; and I think the best way to do that is to support this motion to recommit, and I would urge the House to do so when the vote comes later this evening.

Mr. Speaker, I reserve the balance of my time.

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3579, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LIVINGSTON. Mr. Speaker, I yield myself 4 minutes.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, regardless of one's position on the IMF, one should understand that this is simply a motion to instruct the conferees to adopt the position that has not been debated on the floor of this House. It seems to me that if we are going to instruct the conferees to do anything, we are on solid ground if we are instructing them to deal with issues that have been debated and sent forward.

But the fact is the IMF is an issue that will be debated at some later date on the floor of this House. It has not yet been debated, and forcing the conferees to support this provision dealing with the IMF simply because the Senate has dealt with it and the House has not is ill-advised.

Moreover, reading the motion to instruct, it says that we should support the terms, conditions and provisions of H.R. 3114, the bill reported by the Committee on Banking and Financial Services. That bill differs substantially from the IMF provisions contained in our Non-Emergency Supplemental bill. It may never get to the House. We do not know what is in that bill, and to force the conferees to support all of the terms and conditions of what I believe is about a 60-page bill and incorporate it I think is extremely ill-advised.

The House Committee on Appropriations and the leadership of this House decided on a two-bill strategy. The bill which the House passed that will be before a conference provides for emergency appropriations for Bosnian peacekeeping disaster relief, and other military assistance.

In fact, if we do not address this military assistance by May 1, we understand from the Secretary of Defense that he might give notice of furloughs for people all within the Defense Department. So there is an emergency with respect to defense appropriations.

And, obviously, we know from all the other disasters that have occurred around this country we need to provide additional assistance to people. We are trying to give them that relief and not

get embroiled in a heavy discussion on IMF or any other extraneous issues.

The second bill, which has not come before the House, is a non-emergency bill that includes \$17.9 billion for the International Monetary Fund. That bill has passed the Committee. I sent a letter to the Committee on Rules asking for an open rule for consideration of that bill, and I requested the leadership to schedule that legislation as soon as possible.

Some people say that that second bill will never see the light of day. They are wrong. The fact is that many other items in the second bill absolutely must pass. They have to pass. Things like the veterans compensation and pension benefits. Believe me, Mr. Speaker, there is going to be a second bill.

There is going to be a second bill, and we should not prejudice the outcome of that bill by instructing conferees to weigh the consequences of that bill before we even have a chance to debate the contents on the floor of the House. We are going to have a full and fair discussion of those issues at a later date on the floor of the House. We should not prejudice them by putting them prematurely into the conference. They are totally unrelated to emergency appropriations, and the emergency bill needs to move forward so we can meet the needs of the disaster-afflicted people throughout the country and the military, which has to replenish the monies that they have expended in Iraq and in Bosnia.

So I urge Members to defeat this motion to instruct. It is on the wrong bill. It will have a full and adequate debate but not on a motion to instruct. We need to get the disaster bill conferenced and on its way to the President for his signature.

Our troops in Bosnia and Iraq will get the money they need to do their job, nobody in the Defense Department will be furloughed, and our citizens and the victims of the disasters will get the money that they deserve.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. LEACH), the distinguished chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding.

First, let me acknowledge part of what my distinguished colleague and good friend, the gentleman from Louisiana (Mr. LIVINGSTON), said. This is not a perfect process, and I do not think that. I want to say to my distinguished friend that I appreciate very much the thoughtful attention his committee has given to this issue, and I am very much in his debt.

Having said that, I am hard-pressed not to support a product that comes from my committee, not only a product that comes from my committee but a product that has been caught up in some very unusual political kinds of

pitfall debates that I think are not altogether central to the IMF issue.

So here let me just take a brief moment to talk about the IMF. The IMF, historically, was established in theory before the end of World War II and, in fact, right after the war to deal with the causes of war, the causes of depression.

□ 1800

The rationale for the creation of the IMF is very much alive today and is symbolized in a circumstance in a part of the world that has fought three wars in the last 60 years.

It is in the interest of the United States of America to stabilize the economic turmoil in Asia. It is in the interest of the United States economy to stabilize the circumstance in Asia and ensure that it does not widen and deepen in terms of a gulf of economic recession spreading from one region of the world to another.

The word bailout is sometimes applied to the IMF. Actually, it is anything but. It is a lending, not aid-granting institution. It is an institution to which the United States provides resources which amount to less than 20 percent of the total resources of the institution but resources which we have to call on on a very, very short notice, an institution that has almost \$40 billion in gold reserves.

In a way, one might argue the IMF is the cheapest conceivable stabilizing institution in the world today. Rather than relying on the United States taxpayer alone and ways it could cause enormous liabilities of the United States, we are drawing on over 80 percent of the resources from others in ways using an institution that has a triple-A rating.

Finally, with regard to timing, I would also simply add that the longer we delay, the greater the likelihood that this problem deepens and widens. Delay is on the side of instability. Firm, direct, straightforward, prompt American action is on the side of stability.

For the sake of stability and for the sake of the United States economy, for the sake of United States' leadership in international affairs today, I would urge that, as awkward as this type of resolution is, that it be supported.

Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, in addressing this issue, I think we ought to first ask ourselves who is the IMF. Well, the IMF functions like a private club. Its minutes are secret. They are never released to the public. Its votes are not a matter of public record. The people who work for the IMF do not pay income taxes; or, actually, they pay income taxes, but then the IMF reimburses them for those income taxes.

We are talking about funding the IMF and funding its operation. Hear

me, we are talking about an organization whose employees receive reimbursement for their income taxes.

When their children want to go to private schools, that education is financed; and we will continue to finance that if we vote another \$18 billion to the IMF. When their children want to go to a private university or college, the IMF will pay their full cost of education, tuition, books.

We are asking the U.S. taxpayers in this funding request to reimburse the employees of the IMF for income taxes, for private school costs, for tuition, and not only that, but for salaries higher than those paid by the U.S. Government.

We might say, well, is it worth it? What will the IMF do with our money? We have been told they are going to bail out Asia, but that is not true. They have already funded the bailouts of Asia.

They have \$80 billion in reserve. They have \$40 billion in gold reserve. Indonesia, who they loan money to, has \$16 billion in reserves. What are they going to do? They are going to expand their role and continue to give loans to foreign countries at 4.5 percent interest when the going market rate is 10 to 14 percent.

I will tell my colleagues there is going to be an infinite supply of those lined up to get money subsidized by the U.S. taxpayer.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. DOOLEY).

(Mr. DOOLEY of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Speaker, I rise in strong support of this motion. Clearly, the United States has a vested interest in the funding of the International Monetary Fund. We have an interest because we can protect jobs, we can protect the economic interest of the companies which are exporting so much product to Asia.

When we look at my home State of California, nearly 30 percent of our exporting is going to Asia. It is clearly in our interest to restore confidence in that market, to provide greater financial certainty for our businesses which are exporting critical products.

It is also in the interest of the United States to provide IMF funding because it provides for greater international security. When we look at the potential consequences of a weakened South Korea, with their inability to deal responsibly with their financial crisis, we are on the verge of inviting potential conflict with North Korea, looking at perhaps a weakened neighbor to the south.

Failure also to provide funding could further undermine the fragile investor confidence in the region and set off another round of global economic insecurity. If we do not arrest the financial crisis in Asia, we are inviting this to expand to other parts of the world, be it Russia, be it Latin America, which

would further undermine the economic interest of the United States.

Rejecting the IMF funding also threatens the leadership the United States is providing in the world, the leadership that we are providing in terms of providing economic stability as well as military stability.

Clearly, this motion to instruct the conferees will ensure that this Congress will be able to act in an expedited fashion to ensure that our interest will be protected.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. SAXTON).

Mr. SAXTON. Mr. Speaker, if I thought that the \$18 billion which is being asked for would provide a benefit to the people of this country and to the people of Asia, I would be the first one out front voting for it.

The fact of the matter is that the Joint Economic Committee and others have been studying this issue since last summer, since this request came in, and that is simply not true. It is not true for a number of reasons.

The gentleman from Alabama (Mr. BACHUS) talked about the secret club that surrounds the IMF. We cannot find out what they do, why they do it, the results of the studies on what they have done, any of that. That is all secret.

Secondly, and more importantly, the average loan rate is 4.7 percent.

Let me ask you a question, Mr. Speaker. If you were a businessman and the IMF came along and said, if you make risky investments, which the foreign countries and institutions did, and you fail, which they did, I will give you a loan of 4.5 percent, how would that make your decision making, understanding that we have two criteria in making investments, one is to make a profit and the other is how much risk we have to involve when we do it?

Obviously, a low interest rate bailout loan on a policy of the organization that does it on a global basis is going to have a deleterious, negative effect on the kinds of investment decisions that are made.

Besides that, Mr. Speaker, I think there is another issue that needs to be discussed, and that is simply this: The IMF promotes higher taxes. The IMF promotes monetary instability. And here we are being asked today, after we have not even had a debate on this House floor, to vote \$18 billion of American taxpayers' money that promotes, through an organization that promotes higher taxes, that promotes monetary instability. That has a deleterious effect on foreign economy that is not a positive one.

I vote no, and I hope everyone else will here today.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, I really think that passage of the IMF legislation is the most important economic

issue confronting the Congress in the year 1998. If we do not pass it, I believe we would be defaulting on our global economic leadership. It is unthinkable for us not to pass it. We must participate within the IMF.

We must also participate in the legislative arena in a manner that will enable us to obtain a majority of votes. That means we have to proceed collegially. We proceeded collegially within the House Committee on Banking and Financial Services. We proceeded in a way that was able to bring about a significant majority of Republicans and Democrats so that we were able to report the bill out by a vote of 40 to 9.

We recognize, of course, that there is significant criticism of the IMF and, therefore, we adopted amendments in a collegial, bipartisan manner to instruct the administration in the ways to reform the IMF. Those amendments are essential to obtain passage and to accomplish mutually desired goals. Support the motion to instruct.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding.

I rise proudly as a progressive, as an internationalist, as somebody who is pro-choice, and someone who has a 100 percent lifetime labor voting record in the House of Representatives and have worked for labor and working people for his whole adult life.

I rise in strong opposition to the motion brought forth by my good friend, the gentleman from Wisconsin (Mr. OBEY).

Let us be clear what we are talking about here. We are talking about an \$18 billion replenishment of the IMF, a 45 percent increase in our contribution to the IMF.

Please understand the Asian bailout is over. The \$19 billion that we have already given to the Chase Manhattan Bank and the BankAmerica and to Citibank for their losses, and they came here for corporate welfare, and we gave it to them, that is gone. That is over. What we are talking about is new money for a new mission and for an expansion of the function of the IMF. That is point number one.

Point number two, I believe it was last year that many people took to the floor of this House and they said, Mr. Speaker, you are wrong for combining disaster relief with other matters. I said so.

How could we come back today and say the IMF is a disaster? It is not. People all over this country want to deal with the ice storm in the Northeast, tornados, hurricanes. That is not an issue that the IMF should be combined with.

Thirdly, no matter what our point of view may be on the IMF, this issue needs serious debate. It should not be brought here all of a sudden for a one-hour debate. It deserves many hours, and it deserves some ample warning time so we can have serious discussion.

Fourthly, does the IMF need this money today? No, they do not. Nobody believes they do. The IMF has \$45 billion now in liquid resources, a \$25 billion credit line and \$37,000 in gold reserves.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to a well-known reactionary, the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I am impressed by the gentleman's renewal of the Louisiana/Vermont alliance. Not since the war of 1812 has it been so vigorous, but I think it is wrong this time.

The gentleman from Vermont talked about the Asian bailout as if it was all about Chase Manhattan Bank. I happen to thank that Kim Tae-chung, the President of South Korea, is one of the great, small d, democratic heroes of our era. I will guarantee to my colleagues that, if asked, he would express his appreciation for the role of the IMF.

This is a very courageous democrat, a man who risked his life for democracy. He was elected president. He is working with the unions. He is working to try and help his country. The IMF is very important to him.

We have a thug like Soeharto, and we are working to try and change IMF policies there. That is why this particular amendment is such a good one.

People have said, well, we should have debated this. Fine by me, but I have not been in control of the committee that kept it off the floor. We had a long debate and hearing in the Committee on Banking and Financial Services. This should have been on the floor before. We cannot keep it off the floor and then claim the benefit of it having been kept off the floor. We cannot shoot our parent and plead we are an orphan and ask for mercy. The people who controlled the House decided to keep it off the floor. That is why we are dealing with it now.

It has been talked about a great deal. This is a version of it that reflects the importance of it to places like South Korea and to Thailand which are trying hard to make improvements. It reflects the need for labor standards. We explicitly here, by the way, included strong protections for the agricultural sector of our economy. The bill was explicitly amended to recognize that.

This is not a perfect world. It is not a perfect institution or a perfect bill. It is as good an effort as we were able collegially to put together, working with agriculture and labor and others, to provide more funds. It is true, it is not absolutely necessary now, but I will tell my colleagues this: If, in fact, we know that the House is never going to vote for the IMF, then maybe we ought to buy some Korean and Thai currency and sell it short. Because it is going to have a negative effect if we walk away from this on decent, struggling governments from South Korea and Thailand that deserve some support. It is also in our own self-interest to support them.

□ 1815

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. CUNNINGHAM) a member of the Committee on Appropriations.

Mr. CUNNINGHAM. Mr. Speaker, I understand those that may want to support the IMF, but if we look, economists themselves are split whether the IMF does any good or not. And then those that say even that they doubt that we need it to bail out southeast Asia. But yet \$18 billion.

As my colleagues know, this body has wrestled with emergency flood, emergency El Nino, emergency supplemental for defense, and yet we are having to try to offset it so we do not break the budget caps through domestic spending. But yet we are going to give away \$18 billion. Haiti, Somalia, Bosnia, \$16 billion in operations that we get no credit for from the U.N., but yet there are those that want to give money to the U.N. in support, \$16 billion, \$18 billion, \$5 billion more for the extension in Bosnia.

My colleagues, where does it stop? The American taxpayers have to pay for this. It is not our money. It is \$18 billion, not even million dollars, and we are going to give it away, Mr. Speaker. That is wrong.

My colleagues rap on the Republicans all the time for having to offset money. We want to break the budget caps, we want to spend more money. Well, it is easy to spend it but it is difficult to go to the taxpayers and ask them to pay for it, and then even more difficult to say where are we going to take it out and still not break the budget caps? Alan Greenspan said if we do, interest rates will go back up, the economy is going to go to hell, and it just does not work.

But yet here they are asking us again to spend, to spend, to spend, bigger government, higher taxes, spend money. It is the same old rhetoric, and I do not support it, and I do not think the American people do, Mr. Speaker.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mrs. ROUKEMA).

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I want to stress again, when this bill passed the committee it passed by a vote of 40 to 9. Two-thirds of the Republican members of the committee voted in favor of this bill. Now, why? Not because we are giving money to foreigners, not because we are bailing out banks, but because we are concerned about jobs here at home.

I speak from New Jersey, representative of export-oriented States, and I can see many around here who understand the agricultural community and their dependence on this kind of trade situation. That is why it passed with an overwhelming majority.

I also want to say, and this has not been stressed enough, that we have in

this bill, and it is included in the motion to instruct, certain reforms that are passed. We acknowledge the transparency and conditionality questions related to IMF. Those reforms are here. We will be requiring certain things of the countries that receive this aid. We will be putting more requirements on IMF in terms of the transparency, we acknowledge that. But, my friends, this is about jobs here at home and also security abroad.

The House Banking Bill contains strong language on Conditionally and making the IMF more Accountable to Congress.

The bill includes:

Accountability. I think the American people should know what the IMF is doing with the money they have. Not surprisingly previous Congresses thought that an audit of IMF lending activity was an important issue. The National Advisory Counsel—of which the Secretary of the Treasury is the chairman—is required to report annually by April 1 to the Congress regarding IMF loans. I was shocked to find out that the most recent annual report filed by the Treasury covers 1992—and this was transmitted to Congress in December of 1997!

The Banking bill will require the Secretary of Treasury to provide a semi-annual report to the Congress certain IMF loans.

The report would be a GAO "audit" of IMF loans—the amount, term, interest rate, disbursement schedule, etc. In addition, the report will include information regarding trade barriers in borrowing countries which may affect U.S. exporters as well as borrower country export promotion policies which may result in dumping of foreign goods in the United States. And importantly, the Secretary of the Treasury would be required to testify annually before the Congress on the contents of such report.

Let there be no mistake, I support full funding of the IMF—but Congress needs to be informed and there needs to be accountability at the Treasury Department. Being 5 years behind in providing required reports is nothing short of outrageous and an insult to the legislative branch. It is for this reason that I will sponsor an amendment today I urge my colleagues on the Banking Committee to join me in supporting the Treasury Audit and Accountability Amendment.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. KLINK).

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, you are right, the House should not consider IMF funding just an hour before we all get on board planes to head toward home. We should have a full debate on this issue.

Let me just give my colleagues one example of why we should be discussing this. The IMF is working on an amendment to its Articles of Agreement that would give the IMF the power to require all member countries to liberalize their laws regarding the flow of capital accounts. They would be the ultimate enforcer of capital deregulation. All member countries, including the United States, would be told by the IMF what they could and could not do regarding the flow of capital.

If my colleagues want some international bureaucrat to make that decision instead of the elected Members of Congress, then we should pass this motion. I think that there are some people probably who may disagree with me. The point is, we have not had a chance to study this issue, we have not had a chance to debate this issue. We are asked to come here at the end of a work week, after a two-week hiatus, and take up a very complex issue. And I think that the Members of this Congress deserve more, and the people of this Nation need more, and whatever Members think about the MAI or the IMF, the one thing that they should know is that we should be making this decision after we study it and after we debate it.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding this time to me.

This evening we had a special opportunity in this House of Representatives, and that is to accept a motion to instruct for a resolution that has strong bipartisan support in its committee of jurisdiction. Many others have said it passed 40 to 9 with the support of the Chair, the gentleman from Iowa (Mr. LEACH) and the ranking member, the gentleman from New York (Mr. LAFALCE).

It has a framework to address many of the concerns our colleagues have about the IMF, and frankly that I share, about the need for increased transparency, for conditionality that includes labor rights and environmental protections, and the moral hazard issue of do countries' financial institutions take risks unduly because they think there is an IMF bailout. This resolution, this provides the framework to increase that, and all of those concerns are trumped by the contagion clause. Contagion, that is the spread of what will happen to the currencies in these countries, will have a terrible impact on workers in the United States.

Mr. Speaker, I want to make one point very, very clearly. This is not a bailout, it is a loan. We get a credit, an asset for it. We are not bailing out, we are not giving money away. We are honoring our commitment. Even the staunchest critics of IMF say we need to do this replenishment now and then proceed with the reforms.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the very distinguished gentleman from California (Mr. ROHRBACHER).

Mr. ROHRBACHER. Mr. Speaker, we should be debating this. I should have more than 1 minute, and I am not complaining to the gentleman from Louisiana (Mr. LIVINGSTON). It is a travesty to have this debate so that DANA ROHRBACHER has 1 minute to express himself on this issue. And the same with the rest of my colleagues. When are we going to stand up for our own rights in this body?

Here we have the violation of the rights of our people to control their destiny, taken away from them by \$18 billion and given to some crook or some nincompoop overseas who has basically driven their own financial institutions into bankruptcy, and we cannot debate it for more than an hour. This is ridiculous, and it is as ridiculous as the idea of bailing out the IMF in the first place.

I just returned from Asia. There are alternatives in Asia to this bailout. And yet if we force our money over there in this IMF bailout, it will undercut the private efforts in that area to bail out their own problems. And what do they do with this money, this \$18 billion and the other money going over to Asia? It is used to finance factories that put out goods and services that put our own people out of work.

It is immoral for us to give this money to foreigners after we have cut programs at home. We should not be bailing out the IMF, we should be balancing our budget. And we should have a longer debate.

Mr. LIVINGSTON. Mr. Speaker, I yield unfortunately just 1 minute to the gentleman from New York (Mr. SOLOMON) my good friend, the very distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I say to the gentleman if this were here under a rule we would have several hours to debate this and not several minutes.

As my colleagues know, in the other body they are debating, my colleagues, the NATO expansion bill over there for Poland, Hungary and the Czech Republic, and we have asked them to beef up their military so that they can interoperate and communicate with our military to defend each others' boundaries. We are asking them to pay their fair share.

Here the IMF is already warning these 3 countries they will not underwrite economic development loans if the countries start jacking up the military budgets. That could cost us \$19 billion over the next 15 years. What is going wrong?

We should go slow on this, we should ask the IMF, the socialist French economist who is in charge of it, to come here and tell us why he is going against American foreign policy. We are footing most of the bill; why do they not listen to us?

This is going nowhere and we are going to see to it.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Mr. COX) the chairman of the Policy Committee of the Republican Conference.

Mr. COX of California. Mr. Speaker, I thank the gentleman for yielding this time to me.

I would like to focus our attention on precisely where we are. We are being asked to increase the United States' commitment to the International Monetary Fund by 45 percent over the long-standing level of U.S. support. We are

being asked to add \$18 billion to our commitment. Which works out, incidentally, to over \$150 for every single working taxpayer in America. Can my colleagues imagine calling them up and asking for the money and telling them we only have time to debate this for an hour because it is not in the bill? We are adding it on the floor at the last minute.

It has been pointed out here that the IMF needs some reform. We have got to exercise some leverage, even if we were going to give \$18 billion to the IMF, if we want those reforms. But if we simply sign on at the last minute without any questions, there will not be any reforms.

This proposal hurts American agriculture because the IMF, as is well known, is going to continue its policy of supporting devaluations which hurt our market for exports. This hurts U.S. exporters. Without question, the IMF causes as many problems as it creates. This deserves real debate, has not anything to do with our El Niño storms, which is what this bill is supposed to be about. Keep it out.

□ 1830

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, it ought to be understood that we are not limited in debate today because of our choosing. We are limited in debate because we were denied the opportunity on the rule when this bill was considered to have a full-fledged debate on the IMF. We asked for that opportunity. Every person who voted against us on the rule has the responsibility for the fact that we are limited only to one hour tonight. Do not blame us for the problem which you yourself created.

Mr. LIVINGSTON. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Texas (Mr. DELAY), the great whip of the majority party.

Mr. DELAY. Mr. Speaker, I thank the chairman for all his hard work, and I appreciate being yielded this time.

Mr. Speaker, I rise in opposition to the motion to instruct. The question today, frankly, is not whether you support the IMF. We will answer that question in due time. Instead, we have to ask whether this motion will speed up disaster assistance to the American people, or slow that assistance down.

Clearly, if we pass this motion to instruct conferees, we will complicate the process of getting needed assistance to Americans who have faced disasters in the last year.

When it comes to the IMF, many of us continue to have strongly held and competing opinions. Why would one want to mix that kind of understanding and confusion?

Some believe that we should give more money to the IMF, no matter what the consequences. Others of us believe that the IMF is all too often not the solution, but rather the problem. Still others have opinions that fall somewhere in the middle.

We all agree, however, that we should do our best to help Americans who have suffered from natural disasters. We also should all agree that our Armed Forces need the necessary funds to sustain them overseas.

Mr. Chairman, I just urge my colleagues to keep the process as simple as possible. Let us vote against this motion to instruct, and let us make sure that the American people are taken care of first.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Iowa (Mr. BOSWELL).

(Mr. BOSWELL asked and was given permission to revise and extend his remarks.)

Mr. BOSWELL. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, a few weeks ago, not too long ago, several of us met with Mr. Greenspan, Mr. Rubin, and Mr. Glickman, and we had quite a good meeting. They agreed, and Rubin and Greenspan do not always agree on everything, but they agreed that day IMF is very, very important to us. I think the question came from at least a half a dozen different approaches, and some of you may have been there, too.

Is there risk in this? Mr. Greenspan said that we have never lost a dime on this; that there is always hard collateral. They also said that it is their opinion, the three of them, that the hit on this, if the Asian economy does go down, would be on agriculture.

In our State, 40 percent of our production is exported. That is important. Forty percent. Then I remembered as I reviewed the figures on the trade balance that it is up \$26-\$27 billion, but that agriculture is on the plus side. We cannot afford to take that risk.

Now, if these people tell us that this is a line of credit, that they may not use it, but it ought to be there to save our economy, we ought to give it serious thought.

Mr. Speaker, I support this.

Mr. LIVINGSTON. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I am urging my colleagues to vote no on the motion to instruct. Congress gives instructions to the IMF. There has been over 2,000 opportunities for the IMF to listen to the concerns of the American people, and each time the people have been ignored. As a matter of fact, the Executive Director of the IMF has only voted 12 of those 2,000 times.

They have been "absent without leave" at the IMF. Over and over they have ignored the will of the people and the will of the Congress. AWOL on labor rights, AWOL on environmental rights, AWOL on human rights.

So we are now going to tell this Congress that they are going to guarantee labor and environmental rights? That is baloney. Vote against the IMF, vote against the motion to instruct, and vote to stand up to this international financial cartel, which is destructive of

jobs and human rights all over this world.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Minnesota (Mr. VENTO).

(Mr. VENTO asked and was given permission to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I rise in support of the Obey motion to instruct. The fact is that the money is already in the Senate bill. The question is, are we going to give them any guidance, any further guidance, on how to use it?

So the IMF wants what every bureaucracy wants, all the money and all the flexibility they can get. We are limiting them. The fact is there is an urgency to the passage of this money. There are 62 nations out of 183 that have loans, 183 Members of the IMF that have loans. It is obvious with the recessions or lack of growth in the European and Asian marketplaces that that does constitute the opportunity for our markets in terms of trade.

This is a fight really about those of us that are really wanting to have a free market and free trade to occur. We have a battle going on right now in terms of those markets. If the American model and the model of free markets does not work, and it is going to fail, we have to have mechanisms in place that can prevent it from going down to ground zero. That is what the IMF does.

All of us admit the IMF is not perfect, but what other tool do you have to go to? If you are in the middle of the ocean facing a storm, I do not think the idea to jump overboard and start swimming is a good one. That is what the Members of this Congress are proposing to do.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida (Mr. STEARNS).

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I thank the distinguished Chairman of the Committee on Appropriations for yielding me this time.

Mr. Speaker, I rise in strong opposition to the motion to instruct conferees to provide funding to the fiscally unsound IMF.

Mr. Speaker, for a moment let us consider a conversation down in my district with Alice and John Moore. If Bob Newhart could do this, he could do a much better job than I am going to do.

I knock on the door and I say, "Hello, Alice and John. I am your Congressman. Tonight I am going to vote to fund the IMF."

They say, "What is the IMF?"

I say, "This is an international fund, not from the United States, that is going to take your tax dollars and give it to Indonesia, South Korea, Thailand and others to help bail them out."

They say, "Mr. Stearns, you are my Congressman. Why are you doing this?"

"Well, let me tell you, there is an elite group in Congress, in the Senate, particularly down at the White House,

who thinks they can spend your money overseas with these countries."

"Why haven't these countries taken care of themselves?" This is Alice talking about her and her two daughters, and she is talking also about John, his paying the bills. She is saying if I can take care of my family, if I can take care of my bills, why can't Indonesia, South Korea and these others take care of theirs?

"The bottom line, there is a little group in Washington that thinks we need to tax you higher so we can pay the IMF."

Vote against this motion.

Mr. Speaker. I rise in strong opposition to the Motion to Instruct Conferees to provide full funding to the fiscally unsound International Monetary Fund and to provide to the fiscally irresponsible United Nations with alleged arrearages owed by our nation.

This Motion to instruct is being offered under the guise of an Emergency Supplemental Appropriation.

Let me be clear. The International Monetary Fund is not currently suffering an emergency. The money that has been pledged by the IMF to Indonesia, Thailand, and South Korea to combat their fiscal crisis is already provided.

Let me reiterate that point. By denying this Motion to Instruct and by denying any IMF money as part of a Supplemental Appropriation we will not harm the ongoing financial bailout of these Asian nations.

The IMF and its proponents scream that they cannot handle a crisis and that the IMF immediately needs \$18 billion from the American taxpayer. How ludicrous.

Since the financial crisis started in Asia in the Summer of 1997, there has been no other financial crisis that required the assistance of the IMF. In fact, the economic situation has settled down in East Asia and there is the beginnings of an economic recovery.

The IMF has, right now, more than \$75 billion to combat financial crises. The IMF has an estimated \$50 billion in reserve right now in addition to \$25 billion in an emergency account. On top of all that, the IMF will receive \$28 billion in loan payments from other borrowing nations to the IMF by the end of the Year 2000.

With all that said, by the end of 2000, the IMF will have over \$100 billion in reserve for their uses. Plus, these Asian nations will be paying back the \$120 billion that they have borrowed from the IMF in the last few months.

Is a \$200 billion IMF reserve fund not enough? This attempt to increase the IMF quota is not to deal with any emergencies, but is a naked attempt to expand bureaucracy and the scope of the IMF.

The IMF wants to play a dominant role in the world's economic policies, not simply aid nations in distress. The IMF has even tried to tell the United States what its economic policies ought to be.

The IMF is so arrogant that they still refuse to give Congress documents that we have requested over and over again that will give us more detail about how poor the IMF's policies are.

I urge my colleagues to soundly defeat this Motion.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, in my 30 seconds, let me say I rise in strong support of this motion.

I regret having to support this procedure, but in spite of my great respect for my chairman of the Committee on Appropriations, the gentleman from Louisiana (Mr. LIVINGSTON) and for his fairness, there is no way we can get this issue of funding for the IMF on the floor as a clean debate, where we vote up or down on IMF funding, without unrelated issues that constitute legislating on appropriations bills, which is against our rules, but has been allowed in regard to this issue.

Mr. Speaker, I strongly support IMF funding. It is definitely jobs in my district. This House bailed out the S&L's because we knew we had to minimize the damage, so we need to involve ourselves in this loan program to contain the Asian problem.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. PAUL).

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I rise in strong objection to this motion. This should be a very easy vote for all of us; we should all vote no. They already have \$35 billion of our money. They want \$18 billion more. That is \$53 billion.

Think about it. Some of you would like to spend that on the military, on national defense. That would not be too bad an idea. Others might want to spend it on domestic welfare programs. This would be a better idea than bailing out rich bankers and foreign governments. Besides, there are some of us who would like to give the \$53 billion back to the American people and lower their taxes. But to give them another \$18 billion does not make any sense.

Then to come to us and say it will not cost the taxpayers any money is absurd. Why do they come here and try to sneak through this appropriation with a parliamentary trick, if it is not going to cost the taxpayers any money? Certainly it is going to cost the taxpayers money. It adds to the national debt, and we have to pay interest on the national debt. This is a cost.

Now, the Director of the IMF had an interesting proposal. He said this will not cost us anything because it is coming out of the Central Bank.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, these elite groups that we heard talked about a moment ago that are sneaking this through include the American Farm Bureau Federation, Dairy Farmers of America, National Cattlemen's Beef Association and, U.S. Wheat Associates.

To all of these who have suggested that we are spending taxpayer money,

you are not reading the facts. You know better than to stand here in the well and tell our colleagues who are not here that we are going to be appropriating this money, when we have not appropriated one penny in the history of the IMF.

Why are we here for the IMF? Because it is in America's best interests. It has been ever since we have had the IMF, and it is today.

To those who want the reforms, I agree with you on that. And let us look at the Wall Street Journal of April 10. "IMF moves are expected to force open markets." We are doing all of the things that critics who usually we agree on are saying we need to do, but the only way we can get it done is to bring this bill and have this action done.

If we had not had this in place, we could not have had GSM-102 funding for agriculture that has been very successful in building up markets.

Mr. STEARNS. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Florida.

Mr. STEARNS. Mr. Speaker, does the gentleman think money grows on trees? Where does the IMF get the money, if Congress does not give it to them? Why are we voting on this tonight, if the gentleman does not think we are going to appropriate? Could the gentleman explain that?

Mr. STENHOLM. Mr. Speaker, reclaiming my time, these are loan funds. When loan funds are granted and paid back, there is no loss to the taxpayers of America. The gentleman knows this and I know this.

Mr. STEARNS. The money is guaranteed by the taxpayers of this country, and the money is given to them.

Mr. STENHOLM. "Guaranteed" is correct. But the bottom line is, is it a good investment and for whom is it a good investment? It is a good investment for American agriculture. And to those who continue to drag your feet and say we could not even bring this bill up and consider it, to those who continue to do that, you are in danger of doing irreparable harm to the American farmer and rancher, because we depend upon world trade, and we are a part of a 182-nation group that is attempting to have organized trade.

For us to continue to drag our feet can do irreparable harm to the American farmer, and when you vote no on this, understand that.

Mr. LIVINGSTON. Mr. Speaker, I am happy to yield 1 minute to the gentleman from Ohio (Mr. TRAFICANT).

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, this bill is to provide supplemental emergency aid. I thought it was to provide supplemental emergency aid to the Southeast United States of America, not Southeast Asia. I thought it was to provide emergency aid for American citizens, not for foreign citizens.

Leave this bill alone. We were elected to the Congress of the United States, not to the Council of the United Nations. If the International Monetary Fund is worthy, the International Monetary Fund should stand on its own merit, not on the backs of American victims of great disasters which brings us to the floor about this bill.

This is about emergency aid for American families, for victims of great disasters. Leave the bill alone. If you want to do something about the IMF, bring it up; let it stand on its own merits.

Quite frankly, I think we are too international around here, and we should be taking care of the Midwest a hell of a lot more than we take care of these countries overseas.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, this bill does not spend \$18 billion, it will not cost \$150 to the taxpayers. What will cost the American taxpayer is chaos in Asia. The IMF has made mistakes, but more often than not, it led to liberalization of trade. Look at Poland, Estonia, Uganda and Egypt.

Globalization is changing. For the first time, we have a bill that says an international institution has to pay attention to labor market conditions and the environment. Vote for this instruction.

Mr. LIVINGSTON. Mr. Speaker, I am pleased to yield 2½ minutes to the distinguished gentleman from Texas (Mr. ARMEY), the Majority Leader of the House.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, what is this IMF that wants \$18 billion of our money? Where did they come from and what do they do? I am shocked and appalled at how little we know about the IMF. We know a little bit about its history, but we do not know a thing about how it does business.

We have an international financial institution that purports to manage international markets and commerce, has failed in its originally intended mission, and now intends to self-describe a new mission so that it can become an international deposit insurance corporation.

It is run by a French Keynesian, who operates the agency at such levels of secrecy that we have no idea how they come by the decisions. It is alleged by many fine scholars to have been the agency that caused the Asian flu first by forcing the Thais to devalue their currency. It seems to have a consistent track record of opposing tax decreases and requiring tax increases.

Now, even for a Keynesian, you have got it backwards. This is the taxpayers' hard-earned dollars. We are being asked by this agency, that operates in secrecy, "Give us the money, or

more catastrophe will come." Many fine scholars believe that the catastrophe we have called the Asian flu was, in fact, created by the IMF.

□ 1845

There is an old adage in economics, Mr. Speaker: When the government assumes the risk, nobody assumes the risk. If we have an agency out there with taxpayers' dollars, that sends a message out, Mr. and Mrs. International Investor, irrespective of the denominations in which you will make risky, careless decisions, do not worry about it. We will be there with a bailout, decisions made in countries that practice the worst kinds of failed crony capitalism. No, we need to study this issue. We need to understand this.

I understand that there are industries and sectors of the American economy that feel they themselves are at risk. But will they, in fact, not put their own industries, agriculture, even, at worse risk if, in fact, the IMF is indeed the perpetrator and not the savior in international crises? We need to understand this. They need to come clean.

They need to be willing to tell us who they are, how they do business, how decisions are made, by what criteria, on what empirical data, and through what historical precedents they base their judgments. They have a failed track record. They are not a good bet.

If I were to take \$18 of my own money out and bet it on a racehorse, I would not bet it on one that I had observed consistently running the wrong way in the dark of night. No, I would bet it on a racehorse that was running the right way and winning the race.

Members are asking me to bet \$18 billion of the taxpayers' money. I am telling the Members, they are asking me to bet on a blind racehorse going the wrong way and dragging too many others with it. I need to know more. It is our duty to know more. If we do not see it as our constitutional duty, let us see it as a matter of the basic, fundamental dignity and integrity of the House of Representatives.

Members could not come to me today through any agency of the American government, working on behalf of the American people immediately and directly, and say, give them \$18 billion, no strings attached, no questions asked. We would certainly laugh them out of the body. Why would we do that for an international agency that refuses to reform and refuses to even tell us how they do business?

Certainly, they are a grand institution. Certainly, they are wrapped in wonderful, international mystique. But because they are mysterious, is that the reason to give them more money more easily, with less consideration than we would give even an agency of our own government? No.

The answer is, vote no. We will discuss this at greater length later. We will hold the hearings. We will understand it later better. It just very well



may be that we conclude, after thorough, full, complete understanding that we ought not to bet on this blind horse at any time.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, with all due respect to my colleague from Texas, in the debate I have heard today there are a great deal of Members here who in fact do not understand the IMF and do not understand the situation, but the fact is this. I am not going to get into the details, because I don't have enough time, but if we wanted to, we did not have to take 3 weeks off over the Easter recess. We could have passed the supplemental with the disaster relief. We could have done the work on this. We could have taken several hours and debated the IMF. But the leadership chose not to do that.

We are all paid the same, and we are all here to work. We have important issues we have to deal with. The IMF is a very important issue. If the United States fails to act on this in what is a liquidity facility, the rest of the world will see it, the markets will see it, and the markets will be very efficient in how they will treat it, and we will see what will happen to the East Asian economies and the effect on the American economy.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished Minority Whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I share some of the concerns that have been expressed on this floor this evening. I would not be in this well today to support a bill that endorsed the status quo. This bill is about reform. This vote is about reform.

I want to commend the gentleman from Iowa (Mr. LEACH), the gentleman from New York (Mr. LAFALCE), and the Committee on Banking and Financial Services, who in an overwhelming vote, 40 to 9, endorsed the first major revisions and reform of the International Monetary Fund.

They put for the first time in 50 years working men and women at the table. They put for the first time the concerns of our fragile Earth at the table. They did this in a responsible way. I would have liked more, but I think they did the right thing, and they moved things forward in a responsible way.

Mr. Speaker, this bill sets labor standards and environmental standards and accountability standards and transparency for the IMF in a way that we have never seen before. It will, Mr. Speaker, for the first time, allow people to assemble, to organize, to bargain collectively. It will take on sweatshops and child labor. It will do the things that we all talk about around here, but we have not been able to accomplish through these lending institutions.

So I say to my friends, this is a good bill. Not only will it do it, it will set up

a watchdog group, including representatives from business, from labor, from agriculture, and from NGO groups to watch what they are doing and to report back to the public. It will require our Secretary of the Treasury to meet on a regular basis defined in the bill with different groups and issue a report card on how we are doing in these areas.

It is a good piece of legislation. I urge my colleagues to vote yes on the motion to recommit, so we can begin the process of changing how we do business in this world. The world is a different place. These international organizations must reform to the reality of a different place. This bill helps do it.

Mr. LIVINGSTON. Mr. Speaker, I am pleased to yield the balance of my time to the very distinguished Speaker of the House, the gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. Mr. Speaker, I thank very much my friend, the gentleman from Louisiana, for yielding time to me.

Mr. Speaker, let me say that I rise first to point out that the bill which we are actually going to conference on is, in fact, an important, urgent bill. In my State, for example, where we have had significant tornado damage, and my friends from Alabama, who can report on their tornado damage, Tennessee, other places around the country, where there are real problems, we are trying to get the aid to the Federal Emergency Management Administration. That is urgent.

The Secretary of Defense has indicated if we do not get this bill finished and to the President before May 1, that he will have to begin to initiate laying off personnel, laying off contracts, cutting off training. That is urgent. So this is an important supplemental bill that is urgent.

The Committee on Appropriations reported out a second bill, a bill which is not quite on as fast a track, but which will in fact be considered by the House. But I cannot help but draw to the House's attention who has been lecturing us today on international trade: Members who voted against NAFTA, Members who were prepared to vote against fast track, Members who have made a career out of protectionism, Members who are dedicated to not being part of the world market.

They now get up to lecture us, those of us who voted for NAFTA, those of us who supported fast track, those of us who actually believe in the world market, and we are to be told, rush this thing through; make sure that you get \$24 billion or \$18 billion down to the International Monetary Fund, or whatever number the Secretary of the Treasury sends up. Do not look at it. Do not ask questions about it. Do not explore it. Send the money. Because after all, it is only money.

Now, I believe we have an obligation to the people of America to look critically at the International Monetary

Fund. Former Secretary of the Treasury Bill Simon has said, abolish it, it is obsolete. He happens to be a man who has made a great deal of money in international trade. But ignore him for a moment.

Former Secretary of State, former Secretary of the Treasury, former Secretary of Commerce, former Secretary of Labor, this is all the same person, George Schultz at Stanford University, one of the most respected international figures in American government history, has said, abolish it, it is obsolete, it no longer serves a function. When Bretton Woods died, it died. It is a large, expensive bureaucracy finding a new excuse to mess things up.

But we are not suggesting that we abolish it. We are suggesting we ask some questions. For example, the International Monetary Fund is consistently wrong. There is a very significant report that says it is the IMF which caused the bank crisis in Indonesia. There is a significant study which says it is the IMF which caused Thailand first to quit fixing its money, then to float its money, and then to suffer from an economic disaster. We know from Latin America it is routine for the International Monetary Fund to go in and say, raise taxes; take care of the international banks, but raise taxes.

Let us talk about the crisis in banking. Two major U.S. banks reported yesterday that they had had record profits. None of the big banks are suffering out of Indonesia. They have made their money. They are not suffering out of South Korea. But what does the International Monetary Fund answer? Raise taxes on the working poor.

I hear people come to this floor who claim they represent the workers, who say they are for an international bank institution that is totally secret, that is run by a bureaucrat whose major policy is to raise taxes on workers in the Third World to pay off New York banks. That does not sound like populism to me.

But let me go a step further. We were told at Thanksgiving, I got the phone calls, big crisis in Asia, everything is going to collapse by Christmas. We were told at Christmas, big crisis in Asia, everything is going to collapse by mid January. We were told in January, big crisis, might even lead to a war in Korea. We were told in February, big crisis, could be bad by March.

But do Members know what we were told, over and over? Japan is not the problem, because all of Japan's debt is denominated in yen, and the Japanese can cope with it, and they have \$270 billion in reserve. Do Members know what the statement was this week? We have to have this money for Japan; which is, by the way, intellectually nonsense, because the IMF does not have enough money to deal with Japan.

So what is really at stake here? We believe, on behalf of the taxpayers, that we have the right as the Congress to ask some very tough questions of a

multi-billion dollar bureaucratic institution that is totally secret.

I will start with question number one: If they think tax increases are so good, how come no staff member of the IMF pays any taxes anywhere in the world? They do not pay taxes in the U.S., and they do not pay taxes in their home country. So the French leader of the IMF pays no taxes in socialist France while advocating tax increases. Maybe if the IMF staff paid taxes, they would not be as excited about tax increases.

Let me give just one quick example of how out of touch with reality the IMF is. This is their annual report for 1997 in which they recommend that we not have tax cuts because they are worried that the budget will not be balanced. This is their annual report leading into this year.

Now, we are the most transparent Nation in the world. There is more information available about us than any other country. We are going to have a surplus this year of somewhere between \$18 billion, the inaccurate low and defensive Congressional Budget Office number, because they are like the IMF, they are bureaucrats, and the free market estimate of \$50 to \$80 billion.

If the IMF is wrong about the surplus of the United States of America, when it is headquartered in Washington, could it be possible that their bureaucrats do not have a clue about how the modern, instantaneous real-time worldwide money markets work, and could it be possible that their advice is consistently wrong?

They said as late as July 28, 1997, that, "Many directors also indicated that a faster pace of fiscal consolidation by bringing forward spending cuts and delaying tax cuts than that envisioned in the balanced budget agreement would help to contain demand pressures and enhance the plan's credibility, as well as increase the latitude for countercyclical fiscal policy."

What does that mean? It means as late as July last year, when we were bringing the budget agreement to the floor, they were against tax cuts, they were for deeper spending cuts. They did not have a clue about the politics of the country their headquarters is in, and their policy was exactly backwards.

□ 1900

It was a big tax increase, big government, socialized policy.

So here is my proposition. We have several hearings coming up. The Joint Economic Committee under Chairman SAXTON will be holding hearings. Former Secretary George Schultz has agreed to come and testify. Others will be asked to testify. I am certain our friends on the left who would like to have more taxes and bigger bureaucracy will have a chance to come and testify.

When we have finished the hearings and we are prepared to have appropriate requirements to get trans-

parency and accountability out of the International Monetary Fund, we will bring an appropriate bill to the floor this year in the appropriate way.

But for my friends who are protectionists, who opposed NAFTA and who opposed Fast Track, to come to the floor and lecture the rest of us on the world market and demand that we move in ignorance now, before we can learn anything, I think is highly inappropriate.

I hope every Member will vote this down on behalf of defending the American taxpayer, so we can get an effective IMF program that in fact truly helps American agriculture and truly helps American exporters.

Mr. OBEY. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, I would simply say to the distinguished Speaker, those of us who voted against NAFTA and Fast Track want to be involved in the world market, but in ways that are fair to workers and not just investors and CEOs.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Missouri (Mr. GEPHARDT), the minority leader.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, I urge Members to vote for this motion to instruct. I obviously reject the Speaker's categorization of some of us as protectionists. I voted for Fast Track when George Bush was President. I voted for the WTO. I stand ready to vote for Fast Track for President Clinton if we can have the proper provisions to recognize the rights and the needs of workers and the environment. I was ready to vote for a NAFTA that had sufficient teeth in the side agreements.

To refresh everybody's memory, it was not long ago that the Speaker and I were called to the White House with then Majority Leader Dole and Mr. DASCHLE, and the President and Bob Rubin and Allen Greenspan told us that there was a crash happening in Mexico, this was after NAFTA was passed, and that we needed to replenish funds for the IMF so that Mexico could be bailed out.

We all said that we thought it was necessary to do that because there was no good for America in Mexico going bankrupt. But after we came back to the House and consulted on both sides of the aisle, we found there was not a good deal of support for doing that. And so the President, using a Justice Department opinion, decided to go ahead with that loan.

One of the reasons they felt it was important to do that was because while Mexico was going down, something was happening that none of them had ever seen before. That was, developing countries' economies all over the world, Thailand, Indonesia, were going down.

Mr. Speaker, we are in a new world. And in that new world, technology has put us at a point where when one devel-

oping country has a horrible problem it begins to invade the economies of all the developing countries in the world. I believe the President did the right thing in using the IMF and Treasury funds to do something to help Mexico. As a result of that, the problem was stemmed across the world. Mexico is paying that loan off. In fact, most of it is already paid off with interest.

The problem we face now is greater than the problem we faced with Mexico because it is not just one country that is experiencing trouble, it is six or seven or eight in Asia.

Now, the Speaker says there is no rush and that he thought people were kind of overstating the problem a few months ago. Well, I do not think they were overstating the problem. But they were able, because they had funds available to commit, to go to these countries and to keep them from going into bankruptcy. So because of the existence of the IMF and the ability to do this, we have avoided tremendous problems.

There is no good for any worker or any business in the United States to have any of these countries fail. Even with that in place, they may fail. And when we criticize the IMF, and I am sure there is a lot to criticize, I think we have to keep in our mind a little bit of humility about what is going on here. Let us face it, nobody at the IMF, nobody at Treasury, nobody at the World Bank, and I dare say nobody in the world really knows how to do what we are trying to do.

We are literally trying to build a new architecture in our world for world trade. The truth is crony capitalism is not consistent with capitalism. And I now believe we cannot really have capitalism unless we ultimately have democracy and human rights. But we also know we cannot get those things to be achieved overnight, and so we have got to have a little bit of humility about what we know will work and what can bring these countries back to economic health.

Mr. Speaker, it is great to have a pledge that we may get to vote on this before the year is out. We could wake up tomorrow morning or next month or the month after that and be in a world of trouble. The IMF, the truth is, does not have the ability to deal with these problems now. We have a chance tonight to vote to instruct the conferees to try to pull some of this funding into this bill. We may be sorry, we all may be sorry, if this bill does not contain the monies that the IMF needs.

This is an important moment. None of us will like a world that is in free fall, and it will be in free fall very quickly if they cannot move and act to stem problems that we have never seen before in the history of the world.

I ask Members and beseech Members to act responsibly tonight and vote "yes" for this motion to instruct, so we have a chance to bring to this bill the kind of funding that it needs for the good of the world.

The SPEAKER pro tempore (Mr. SNOWBARGER). All time has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 222, not voting 24, as follows:

[Roll No. 109]

AYES—186

Abercrombie	Hefner	Neal
Ackerman	Hilliard	Ney
Allen	Hinchey	Nussle
Andrews	Hinojosa	Oberstar
Baesler	Holden	Obey
Baldacci	Hooley	Olver
Barrett (NE)	Houghton	Owens
Barrett (WI)	Hoyer	Pallone
Becerra	Jackson (IL)	Pascrell
Bentsen	Jackson-Lee	Pastor
Bereuter	(TX)	Payne
Berman	John	Pelosi
Blagojevich	Johnson (CT)	Pickett
Blumenauer	Johnson (WI)	Pomeroy
Bonior	Johnson, E. B.	Porter
Borski	Kanjorski	Price (NC)
Boswell	Kennedy (MA)	Rangel
Boucher	Kennedy (RI)	Rivers
Boyd	Kennelly	Rodriguez
Brown (CA)	Kildee	Roemer
Brown (FL)	Kilpatrick	Rothman
Capps	Kind (WI)	Roukema
Cardin	Klecza	Roybal-Allard
Castle	Kolbe	Rush
Christensen	LaFalce	Sabo
Clayton	LaHood	Sanchez
Clement	Lampson	Sandlin
Clyburn	Lantos	Sawyer
Coyne	Latham	Schumer
Cramer	LaTourette	Scott
Cummings	Lazio	Serrano
Davis (FL)	Leach	Shays
Davis (IL)	Lee	Sherman
Davis (VA)	Levin	Sisisky
DeGette	Lewis (GA)	Skaggs
Delahunt	Logren	Skeen
DeLauro	Lowe	Skelton
Deutsch	Luther	Slaughter
Dicks	Maloney (CT)	Smith, Adam
Dingell	Maloney (NY)	Snyder
Doggett	Manton	Spratt
Dooley	Markey	Stabenow
Edwards	Martinez	Stenholm
Engel	Mascara	Stokes
Eshoo	Matsui	Stupak
Etheridge	McCarthy (MO)	Tauscher
Farr	McCarthy (NY)	Thurman
Fawell	McDermott	Tierney
Fazio	McGovern	Torres
Ford	McHale	Towns
Frank (MA)	McIntyre	Turner
Frost	McNulty	Velazquez
Furse	Meehan	Vento
Gejdenson	Meeks (NY)	Viscosky
Gephardt	Menendez	Waters
Gilchrest	Millender-	Watt (NC)
Gilman	McDonald	Waxman
Gordon	Minge	Wexler
Green	Mink	Weygand
Gutierrez	Moakley	Wise
Hall (OH)	Moran (VA)	Woolsey
Hamilton	Murtha	Wynn
Harman	Nadler	

NOES—222

Aderholt	Ballenger	Bass
Archer	Barcia	Berry
Army	Barr	Bilbray
Bachus	Bartlett	Bilirakis
Baker	Barton	Bishop

Bliley	Granger	Pickering
Blunt	Greenwood	Pitts
Boehler	Gutknecht	Pombo
Bonilla	Hall (TX)	Portman
Bono	Hansen	Pryce (OH)
Brady	Hastings (WA)	Quinn
Brown (OH)	Hayworth	Radanovich
Bryant	Hefley	Rahall
Bunning	Herger	Ramstad
Burton	Hill	Redmond
Buyer	Hilleary	Regula
Callahan	Hobson	Riggs
Calvert	Hoekstra	Riley
Camp	Horn	Rogan
Campbell	Hostettler	Rogers
Canady	Hulshof	Rohrabacher
Cannon	Hunter	Ros-Lehtinen
Carson	Hutchinson	Royce
Chabot	Hyde	Ryun
Chambliss	Inglis	Salmon
Chenoweth	Jenkins	Sanders
Coburn	Johnson, Sam	Sanford
Collins	Jones	Saxton
Combest	Kasich	Scarborough
Condit	Kelly	Schaefer, Dan
Conyers	Kim	Schaffer, Bob
Cook	King (NY)	Sensenbrenner
Cooksey	Kingston	Sessions
Costello	Klink	Shadegg
Cox	Klug	Shaw
Crane	Knollenberg	Shimkus
Crapo	Kucinich	Shuster
Cubin	Largent	Smith (MI)
Cunningham	Lewis (CA)	Smith (NJ)
Danner	Lewis (KY)	Smith (OR)
Dealy	Linder	Smith (TX)
DeFazio	Lipinski	Smith, Linda
Diaz-Balart	Livingston	Snowbarger
Dickey	LoBiondo	Solomon
Doolittle	Lucas	Souder
Doyle	Manzullo	Spence
Dreier	McCollum	Stearns
Duncan	McCrery	Strickland
Dunn	McDade	Stump
Ehlers	McHugh	Sununu
Ehrlich	McInnis	Talent
Emerson	McIntosh	Tauzin
English	McKeon	Taylor (MS)
Ensign	McKinney	Taylor (NC)
Evans	Metcalfe	Thomas
Everett	Mica	Thompson
Ewing	Miller (CA)	Thornberry
Filner	Mollohan	Thune
Foley	Moran (KS)	Tiahrt
Fossella	Myrick	Traficant
Fowler	Nethercutt	Upton
Franks (NJ)	Neumann	Walsh
Frelinghuysen	Northup	Wamp
Gale	Norwood	Watkins
Ganske	Ortiz	Watts (OK)
Gekas	Oxley	Weldon (FL)
Gibbons	Packard	Weldon (PA)
Gillmor	Pappas	Weller
Goode	Parker	White
Goodlatte	Paul	Whitfield
Goodling	Pease	Wicker
Goss	Peterson (MN)	Wolf
Graham	Peterson (PA)	Young (AK)
	Petri	Young (FL)

NOT VOTING—24

Bateman	Fox	Miller (FL)
Boehner	Gonzalez	Morella
Burr	Hastert	Paxon
Clay	Hastings (FL)	Poshard
Coble	Istook	Reyes
Dixon	Jefferson	Stark
Fattah	Kaptur	Tanner
Forbes	Meek (FL)	Yates

□ 1929

Ms. MCKINNEY and Mr. BLUNT changed their vote from "aye" to "no."

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ISTOOK. Mr. Speaker, I regret I could not be present to vote on the Motion to Instruct Conferees on IMF funding. I am attending a special family milestone—my oldest

son's graduation from college. Had I been present I would have voted Nay.

□ 1930

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the Chair appoints the following conferees: Messrs. LIVINGSTON, MCDADE, YOUNG of Florida, REGULA, LEWIS of California, PORTER, ROGERS, SKEEN, WOLF, KOLBE, PACKARD, CALLAHAN, WALSH, OBEY, YATES, STOKES, MURTHA, SABO, FAZIO of California, HOYER; Ms. KAPTUR and Ms. PELOSI.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3130, CHILD SUPPORT PERFORMANCE AND INCENTIVE ACT OF 1998

Mr. DAVIS of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3130) to provide for an alternative penalty procedure for States that fail to meet Federal child support data processing requirements, to reform Federal incentive payments for effective child support performance, to provide for a more flexible penalty procedure for States that violate interjurisdictional adoption requirements, to amend the Immigration and Nationality Act to make certain aliens determined to be delinquent in the payment of child support inadmissible and ineligible for naturalization, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? The Chair hears none and, without objection, appoints the following conferees:

From the Committee on Ways and Means, for consideration of the House bill and Senate amendments and modifications committed to conference:

Messrs. ARCHER, SHAW, CAMP, RANGEL, and LEVIN.

As additional conferees from the Committee on Education and the Workforce, for consideration of section 401 of the Senate amendment and modifications committed to conference:

Messrs. GOODLING, FAWELL, and PAYNE.

There was no objection.

APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 2400, BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT OF 1998

The SPEAKER pro tempore. Without objection, the Chair appoints the following additional conferees on H.R. 2400:

As additional conferees from the Committee on Science, for consideration of section 312(d) and Title VI of the House bill and sections 1119, 1206, and Title II of the Senate bill and modifications committed to conference:

Mr. SENSENBRENNER, Mrs. MORELLA, and Mr. BROWN of California.