

As I said on the floor last spring in the course of the Senate debate on NATO enlargement, we have wisely not repeated the mistakes made after World War I with respect to Germany. There is no parallel with Weimar.

Rather than imposing staggering reparations on a defeated enemy, the capitalist world has pumped \$100 billion in aid, loans, and investments into Russia.

Rather than isolating Russia internationally as the victorious allies did with Germany well into the 1920s, we encouraged Moscow and welcomed her into a variety of international organizations.

We must confront the inescapable fact that the root causes of Russia's stunning descent into chaos lie in her own history and culture.

Centuries of serfdom and submission to foreign conquerors and autocratic tsars hampered the development of political democracy and a civic culture in Russia.

Then at the beginning of the 20th century, just when both—that is, a civic culture and a political democracy—were nonetheless beginning to emerge Russia was hit first by World War I and then by the Bolshevik Revolution and civil war.

I believe the 7 decades of communism that followed offer the best explanation of the current disarray in Russia.

The tangible devastating legacies of communism are well known: millions killed by Stalin's mad collectivization and purges, environmental degradation, and a massive deterioration in public health and life expectancy.

There is also a philosophical legacy that bears directly upon today's impasse. Marxism's basic tenet, the class struggle. Some scholars may disagree with me, and I am sure I will hear from them when I say this.

The entire political class now vying for power in Russia was taught to believe that economic class determines one's interest, that life is, in essence, a zero-sum game. If you, my opponent, win, that must mean that I lose.

Such a mindset stifles mutual trust and makes compromise in the political arena extremely difficult. The result is that democratic Russia has developed relatively few individuals who in the West would be called or could be called a "loyal opposition."

Last year on a visit to Moscow, I held lengthy discussions with several of the leaders who have been in the forefront of the opposition to Chernomyrdin.

The Communist Party leader Gennadii Zyuganov and the nationalist leader, former general Aleksandr Lebed, both struck me as intelligent, thoughtful men, but distrustful and conniving ones who put self before country.

Only Grigorii Yavlinsky, the leader of the Yabloko Party, seemed to be one who might fit into our category of the "loyal opposition." I am told that he may be named First Deputy Prime Minister if Primakov is confirmed as

Prime Minister by the Duma. That would be an encouraging sign. We will know by tomorrow or the next day whether that is true.

One can argue endlessly about what the United States might or might not have done to avert the current catastrophe.

But before we indulge in "who lost Russia?" finger-pointing, it is well to look at Poland, where western-style economic shock-therapy was applied, the population suffered but endured, and the country emerged immeasurably strengthened.

Lest one thinks this is a communist-era comparison of a giant and a mid-giant, I would point out that Poland's nearly 40 million population is now in the same general league as Russia's, which is down to 147 million from the Soviet Union's 270 million.

More importantly, Poland's gross domestic product is approximately one-third of Russia's, so a fair contrast, I believe, can be drawn.

Poland's political culture and sense of nationhood were solid enough to support the wrenching, but necessary, economic reforms. Neither was present in Russia.

Perhaps the shorter period of communist rule in Poland than in Russia and the sense that communism had been an alien creed imposed upon the country were factors that mitigated the corrosive ideological effects of Marxism.

Whatever the ultimate explanation, the sad fact is that Russia's political culture, unlike Poland's, proved unable to provide the underpinning for successful economic reform thus far.

The fundamental problem, is not that Russia carried out too many democratic and capitalistic reforms too soon, but rather that it did not carry them out fully.

The Russians now bear the principal responsibility for sorting out their colossal problems. The United States should continue to offer encouragement and support.

Most importantly, we must keep our eye on the first priority of preventing the collapse of Russian democracy along with their economy.

(Mr. COATS assumed the Chair.)

Mr. President, you come from an agricultural State, larger but not unlike mine. I suspect in the coming days and weeks, there are going to be people who will agree with me, and maybe others already do, that one of the ways in which we can deal with Russia's problems in a positive way in the near term is by providing significant food aid, because shortly we may see significant shortages of food in Russia on the shelves.

The EU is already considering a significant food aid program. Maybe that is one of the things we can do in the short term to help stem the erosion of civic support for democracy in Russia. The point that has to be kept in mind is that we have a clear interest in Russian democracy, along with the emerg-

ing prospect of a Russian market economy. But it ultimately rests with the Russians, and they have some very, very tough decisions to make.

Mr. President, I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. If the Senator from Massachusetts would withhold just a moment.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Indiana, asks unanimous consent that the debate on the pending bankruptcy bill continue in status quo until the hour of 6 p.m.

Mr. KENNEDY. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, just a short while ago I was informed that the majority leader was looking for amendments to the bankruptcy legislation and also mentioned my name during that discussion. I am quite prepared to call up our amendment at the present time, Amendment Number 3540, and move for consideration of that amendment.

The majority leader indicated—I am getting the transcript—that he was prepared to enter in a time agreement on this amendment, and that he was inviting amendments to the bankruptcy bill. I am here on the floor now prepared to move ahead, and I am also willing to enter into a reasonable time limit. Therefore I am constrained to object given what the majority leader has stated.

The PRESIDING OFFICER. Objection is heard.

The Chair, in its capacity as a Senator from the State of Indiana, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Indiana, objects and announces that very shortly someone from the leadership of the Republican side will be appearing on the floor to discuss this issue with the Senators.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I hope to have an opportunity to talk about the economy and agriculture and what is happening in my State.

I ask unanimous consent that the quorum call be dispensed with.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Indiana, reluctantly objects to the Senator's request and asks the clerk to call the roll.

The bill clerk proceeded to call the roll.

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

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

I ask unanimous consent that debate on the pending bankruptcy bill continue in status quo until the hour of 6 p.m.

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

Mr. LOTT. Let me say, Mr. President, I indicated to the Senator from Massachusetts that I think we have an agreement worked out in a fair way to handle his amendment with regard to minimum wage, but we are still having to work to see if we can get something agreed to on the bankruptcy reform bill. I understand that may take some considerable time yet, but Senator GRASSLEY is working on it, as well as Senator DURBIN and others who have been in contact with the White House.

I think a good-faith effort is underway. If it can be worked out in 3 hours, that would be magnificent. We would have the vote on Senator KENNEDY's amendment and we could go to the bankruptcy issue and have votes and get this issue completed. If we can't get the agreement worked out on bankruptcy reform, then we would have a cloture vote tomorrow as is scheduled, and we would go on to other issues. I am sure Senator KENNEDY will then offer his amendment on something else. That is where we are now. Everybody is working in good faith. We will hope for the best.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

MINIMUM WAGE AMENDMENT

Mr. KENNEDY. Mr. President, I thank the leader for his explanation. As I mentioned earlier, I am prepared to enter into a reasonable time agreement for this amendment. But I do want to give the Senate the opportunity to express itself on this amendment because it is of such vital importance for so many millions of Americans who depend upon the minimum wage for their survival, and who have seen, over the past several years, a decline in the purchasing power of the minimum wage.

I will just take a few moments now to continue some of the thoughts that I expressed last evening. I see that Senator WELLSTONE wants to address some of the needs of his own State. I will not take much of the Senate's time now. But I will either take additional time this evening when the Senate concludes its business, or at other opportunities, because this is an issue of great importance.

Mr. President, I pointed out last night what has happened to the purchasing power of those who earn the minimum wage. Even with the increase I propose, which is 50 cents in January of next year and 50 cents the following

year—even if we are successful, the purchasing power of those at the lower economic levels will still be substantially lower than it was during the 1960s, 1970s, and the early 1980s.

This is at a time of extraordinary economic prosperity—the greatest prosperity we have had in this country, with great economic growth, and low inflation, a budget that is balanced, and an increasing surplus. The real issue is: Are we going to reward work? Are we going to say to men and women who work 40 hours a week, 52 weeks a year, that they are going to be out of poverty in the most powerful Nation in the world, with the strongest economy in the world? That is something that I believe is very basic, very fundamental. It is an issue of fairness, and an issue that will not go away. That is why those of us who support it are going to be persistent in insisting that we are going to have a vote on the issue in these next several days. Because we are not permitted to have a freestanding bill, we have to use an amendment strategy so the Senate can address this issue. But address it the Senate will.

Last evening, Mr. President, I pointed out and responded to 2 of the arguments that are constantly made in opposition to an increase in the minimum wage. The first argument is that it adds to the rate of inflation. I also pointed out last night that we have the lowest rate of inflation of any time when the Senate has considered an increase in the minimum wage since the end of World War II.

The second argument is that raising the minimum wage increases unemployment. Last night I pointed out that we have the lowest unemployment rate of any time we have considered an increase in the minimum wage since the end of World War II.

These two claims are continually offered by opponents of an increase in the minimum wage. But they do not hold water. The facts belie those claims.

Other issues have been raised, Mr. President. One was, what will be the impact on small businesses? A recent survey by the Jerome Levy Institute for Economics shows that 90 percent of small businesses said the last increase in the minimum wage had no impact on their hiring or employment decisions. Only one-third of 1 percent said they laid off workers. If the minimum wage were increased to \$6 an hour, fewer than 3 percent said they would hire fewer employees or lay off existing workers. Over 90 percent said they anticipated no ill effects from such increases.

That data has been substantiated by the Small Business Administration, which pointed out that, in 1997 alone, industries dominated by small business created 60 percent more jobs than did industries dominated by the large firms. Last year, over 1.2 million new jobs were created in the sectors dominated by small businesses, which often

are those that pay minimum wage to their workers.

This data contrasts starkly with the rhetoric from the National Restaurant Association, the National Federation of Independent Business, and other naysayers. Those groups continue to cry "wolf" about the impact of raising the minimum wage. They should ask their members what really happened after the last increase, before they try to feed Senators the same empty arguments.

These interest groups do not speak for all small businesses in the country. 115 small businesses from across the country have joined the Campaign for a Fair Minimum Wage. They come from 16 States and the District of Columbia, and they include restaurants, retail stores, banks, investment firms, publishers and communications companies.

These firms understand that raising the minimum wage is good for employers as well as employees. Fair pay for workers improves productivity and reduces turnover. That is extremely important.

Another point I want to mention, Mr. President, is what is happening to living standards for low-income Americans, including minimum wage workers. Many low wage workers are desperate for this kind of assistance. Nationwide, soup kitchens, food pantries and homeless shelters are increasingly serving the working poor—not just the unemployed. According to a U.S. Conference of Mayors study in 1997, requests for emergency food aid increased in 86 percent of the cities surveyed, and 67 percent of cities cited low-paying jobs as one of the main causes for hunger.

Here we have individuals who are making the minimum wage and don't earn enough to keep themselves and their children out of soup kitchens. This is powerful evidence about what is happening to the working poor. The purchasing power of these workers has declined, as I discussed last night. This is more dramatic evidence about the significant increase in working poor families who are forced to rely on soup kitchens and charities. This is something that the mayors understand. This is something the mayors have indicated is of increasing concern to all of them. We have an opportunity to do something about that for families who are making the minimum wage, and that is an additional reason for this increase.

Mr. President, we can also look at the effect of the increase that I am proposing—the two 50-cent increases that will bring the minimum wage to \$6.15 in the year 2000. But that amount translates to just \$5.74 in purchasing power in the year 2000, even if we go ahead.

Now, what else is happening to wages in our country? Salaries and bonuses paid to executives have never been higher, Mr. President. In April, the Wall Street Journal surveyed executive

pay at 350 of the country's largest firms. The median CEO salary and bonus in 1997 was \$1.6 million, or \$770 an hour. The CEO takes less than 2 days to earn what a minimum wage worker earns in a full year.

The same groups that complain about an increase in the minimum wage are the ones that have made dramatic increases in the payment of their officials, Mr. President. On the one hand, they say, "We can't afford to pay a 50 cent or \$1 increase in the minimum wage"; yet, they are able to afford millions more in salaries and stock options to their executives.

Over 170 groups have joined the Campaign for a Fair Minimum Wage. They include religious groups, such as the American Friends Service Committee, the Union of American Hebrew Congregations, the United Methodist Board of Church and Society, the United States Catholic Conference—and dozens more.

Women's organizations are also represented: the American Association of University Women, the National Committee on Pay Equity, the National Partnership for Women & Families, the National Women's Political Caucus, the Older Women's League, and many others.

Civil rights groups also support the Campaign. These groups and others understand that the minimum wage is a civil rights issue—a partial list includes the American-Arab Anti-discrimination Committee, the Asian American Legal Defense Fund, the NAACP, the National Council of La Raza, the Rainbow Coalition, the Southern Christian Leadership Conference, and many more.

Trade unions have joined the Campaign, too. Virtually every union member earns more than the minimum wage, thanks to union representation at the bargaining table. But that hasn't stopped the AFL-CIO, AFSCME, the Communications Workers, the Steel Workers, the Service Employees and other unions from strongly supporting this increase. They believe that every working American deserves a decent wage, and they are working hard to achieve that result.

Mr. President, we will continue to consider the issues that have been raised in past debates on the minimum wage. We are eager to debate these issues on the floor of the U.S. Senate and give the membership an opportunity to vote on this issue.

As I have mentioned, and will continue to say time in and time out, this is an issue of fundamental fairness and decency. It is a real reflection of the kind of values which this institution has.

This is a women's issue because the majority of minimum wage workers are women. It is a children's issue because many of those women have children.

It basically is a fairness issue. And we are very hopeful that we will have the opportunity to debate this and have a decision on this issue in the U.S. Senate.

The PRESIDING OFFICER. The Senator from Utah is recognized.

ORDER FOR MORNING BUSINESS

Mr. HATCH. Mr. President, I ask unanimous consent that at 6 p.m. there be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

THE MINIMUM WAGE

Mr. WELLSTONE. Mr. President, let me, first of all, say that as we go into this debate—and I am pleased to be joined with Senator KENNEDY; I have spoken about the importance of raising the minimum wage—I look forward to having the opportunity to debate this with colleagues.

I guess I have reached the conclusion—I think this is sort of the common ground with the Chair—that the best single thing we can do in the Congress, in the House and the Senate, is to do everything we can to enable parents to do the best by their kids, or a single parent to do her or his best by children. I really do believe that this means many different kinds of things. But one of them certainly is to try to make sure that people have a living wage. I think it is terribly important.

I think it is a value question. I look forward to the debate. I will be out on the floor with my colleague, Senator KENNEDY, and others as well.

CRISIS IN AGRICULTURE

Mr. WELLSTONE. Mr. President, I want to talk for a moment, or for a little while here, about what is happening in the Midwest. I had thought that perhaps this afternoon I would have an opportunity as a Senator from Minnesota to join my colleagues from other Midwestern States with an amendment that would speak to the crisis in agriculture. That didn't happen this afternoon.

For those who are watching this debate, now that there is an attempt to work out an agreement on this bankruptcy bill with a potential cloture vote tomorrow, it doesn't look like we will be able to introduce this amendment, at least today. But I do want to just say to colleagues—I know that a number of us will be on the floor tomorrow—that my top priority as a Senator from Minnesota is to bring to the floor of the Senate, with other colleagues, an amendment that would really make a difference in the lives of family farmers in my State.

Mr. President, we have an economic convulsion in agriculture. There is tre-

mendous economic pain in our rural communities.

Many farmers and their families are just leaving their farms now. They are doing it quietly. It is not so much like the mid-1980s where you really saw a lot of farm rallies and marches and whatnot. That may happen. That may not happen. I don't know.

I know that when I go to farm gatherings—whether it be in Fulda, MN, or in Granite Falls, MN, or Crookston, MN, it is quite unbelievable with the number of people that come.

The fact of the matter is that with farmers now receiving somewhere like \$1.42 for a bushel of corn, there is just simply no way—or \$2.15 for a bushel of wheat—they can't cash-flow.

My friend, the Presiding Officer, is from the State of Indiana. And he knows something about this issue.

You can be the best manager in the world. You can't make it. If you are not a huge conglomerate, then you have more of a family farm operation, which really ranges in terms of numbers of acres of land. But the important part of it is that it is entrepreneurship. The people that work the land live there. These are the people that are in the most trouble.

For those of us who are from the Midwest—in a way, I approach this debate with a sense of history, because I think in many ways this is sort of one of the last regions of the country where you have a family farm structure in agriculture.

Mr. President, what I want to say to colleagues, understanding full well that we will not be able to do this on the bankruptcy bill, though I must say to my colleague from Iowa, a very good friend, that there is unfortunately a very direct correlation between what is happening, as he well knows, to family farms in our State and bankruptcy.

If we can't do this amendment that will speak to the farm crisis on the bankruptcy bill, then the very next vehicle that comes to the floor—the very next bill—we absolutely have to have an amendment out here.

We may have some different views about what needs to happen. But I will tell you that the amendment that I see which must be brought to the floor first and foremost is we are going to have to remove the caps on the market assistance loans. We can do other things as well and allow a 6-month loan extension. Corn right now is capped at \$1.89 a bushel. This would get it up to \$2.00, \$2.20, \$2.25. Wheat is capped at \$2.58. This would get it up to \$3.20. This would be the single most important thing we can do, along with providing indemnity payments that we have all been talking about.

We passed this before we went on recess. It is going to have to be more by way of financial assistance, given what is happening to a lot of farmers in the South as well, because of weather conditions. And in our State, in northwest