

research directly or through grants to determine the extent of damage to livestock operations, throughout the western states, where different methods of predator control are used. Only then can we intelligently learn to find the balance that successfully protects traditional ways of living and our need for vital, thriving ecosystems.

REMEMBERING DR. GEORGE
"HOWARD" HARDY III

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 2000

Mr. McINNIS. Mr. Speaker, it is with great honor and profound sadness that I now rise to pay tribute to the life of Aspen, Colorado's great civic patriarch, Dr. George "Howard" Hardy III. After living a remarkably accomplished life, sadly, Dr. Hardy passed away while mountain biking in the four corners area. But even as we mourn his passing, everyone who knew Howard should take comfort in the truly incredible life he led.

Since the 1970's, few can claim a place in the Aspen community as lofty as Howard. His accomplishments and contributions, Mr. Speaker, were many. Howard was a well liked Dentist in the Aspen community. George Kauffman, a close friend of Howard's, said that: "Howard was a fixture in the community, and a core member of what makes Aspen special."

Howard, an Ohio native, received his undergraduate and doctoral degree from Case Western Reserve University in Cleveland, Ohio. After completion of his education, Howard used his acquired skills to serve his country in the Army as a captain and a Doctor. Following his service, Howard established a private practice in Aspen, Colorado. Patients still remember Howard's office as a heartwarming place, recalling Howard's wonderful sense of humor and his love of practical jokes.

One of Howard's colleagues, Dr. David Swersky, remembered the office as "joke central, people came into the office just to tell us some jokes, because they knew Howard was always game." Howard's compassion was easy to distinguish before a procedure. David said that "Howard would always start a procedure with a joke. He was very caring about his patients." He was not only a Doctor, but a friend to his patients. His relationships with his colleagues were also special, David said that "We had a very special relationship, I'm not only losing a partner. I'm losing a brother."

It is with this, Mr. Speaker, that I say thank you and good-bye to this great American who will long serve as an inspiration to us all. We will all miss him greatly.

INTERNATIONAL MONETARY
STABILITY ACT OF 2000

HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 2000

Mr. RYAN of Wisconsin. Mr. Speaker, today I am introducing the International Monetary Stability Act of 2000. This bill would give coun-

tries who have been seriously considering using the U.S. dollar as their national currency the incentive to do so. When a foreign country grants the U.S. dollar legal tender in place of its own currency, that country dollarizes. This bill would serve to encourage such dollarization.

Dollarization is an extremely important issue for developing countries seeking monetary stability and economic growth in the Western Hemisphere. Of course, dollarization is no panacea. However, sound money combined with a sound fiscal policy—or I would even posit as a precursor to a sound fiscal policy—and property rights, and a viable rule of law, helps to ensure that dollarization can boost development in growing economies.

Today, countries can dollarize without consulting the Federal Reserve or the U.S. Treasury. There is no need for the Fed to be the world's lender of last resort by opening up its discount window to dollarized countries. Like Panama, countries can maintain liquidity through the private banking system.

The Fed will never be responsible for supervising foreign banks. Not only would sovereign governments disapprove of the United States regulating their private banking system, I would imagine that the Fed has no desire to grant foreign banks the same privileges that U.S. banks receive without making foreign banks pay for such protection.

The Fed already takes the international circumstances into account when formulating policy. If you remember back to the end of 1998, the Fed lowered interest rates three times to stem contagion, not because of any domestic considerations. Regardless, with a consistent law outlining dollarization agreements with the United States, countries understand from the beginning that the Fed will not act as their central bank.

There are significant benefits to the United States should more countries choose to dollarize. There would be a decrease in cases of dumping since foreign countries would lose the ability to devalue against the dollar to gain trade advantage, and U.S. businesses would find it easier to invest in these countries since currency risk and inflation risk are greatly diminished.

Likewise, dollarization lowers monetary instability within dollarized countries and increases the living standards of their citizens. During Senate hearings on dollarization, Judy Shelton, of Empower America, eloquently described the entrepreneurial spirit within Mexico but contrasted this optimism with a scenario of high interest rates and scarce bank loans for businesses. Indeed, sporadic devaluations and politically derived inflation negate expectations that a domestic currency can be a meaningful store of future value.

Inflation is directly linked to interest rates. Inflation expectations act as an interest rate premium. When inflation is expected to go up, interest rates are high. As we have seen lately in the United States in our own debate over rising interest rates, low rates reduce the cost of borrowing and increase prosperity, while higher rates raise the cost of capital and slow economic growth. For most Latin American countries, dollarization should lower their interest rates to within 4 percent of U.S. rates, depending on political and fiscal factors.

Further, because dollarization eliminates the ability of foreign central banks to manipulate money supply, which I would argue is a ben-

efit of dollarization and not a cost as some analysts do, inflation is tied to U.S. inflation.

My bill, the International Monetary Stability Act of 2000, would give countries who have been seriously considering using the U.S. dollar as their national currency the incentive to do so. A couple of changes have been made since I first introduced the original bill last fall in order to take into account concerns raised by the Treasury Department during Senate hearings. One important change includes the ability of the Treasury to consider money laundering as a factor for deciding whether to certify a country for seigniorage sharing.

In general, enacting this legislation would set up a structure in which the U.S. Treasury would have the discretion to promote official dollarization in emerging market countries by offering to rebate 85% of the resulting increase in U.S. seigniorage earnings. Part of the remaining 15% would be distributed to countries like Panama that have already dollarized, but the majority of the 15% would be deposited at the Treasury Department as government revenue. Additionally, this bill would make it explicitly clear that the United States has no obligation to serve as a lender of last resort to dollarized countries, consider their economic conditions in setting monetary policy or supervise their banks.

I would like to conclude by repeating an old quote from Treasury Secretary Larry Summers. Back in 1992, when he was at the World Bank, Secretary Summers said "finding ways of bribing people to dollarize, or at least give back the extra seigniorage that is earned when dollarization takes place, ought to be an international priority. For the world as a whole, the advantages of dollarization seem clear to me."

Congressional leadership in exchange rate policies such as dollarization protects our own economy. Every foreign devaluation affects our economy through international trade and through the equity markets. American companies need reliable currencies to make investment decisions abroad; and American workers need to know countries cannot competitively devalue in an effort to lower foreign worker wages. The ramifications of an Asian-style economic collapse in Latin America, our own back yard, call for legislation that will help these countries embrace consistent economic growth.

I strongly believe that strengthening global economies, especially those in the Western Hemisphere, by encouraging dollarization is in America's best interest.

PROMOTING HEALTHY EYES AND
HEALTHY LIVES: THE CONGRES-
SIONAL GLAUCOMA CAUCUS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 2000

Mr. RANGEL. Mr. Speaker, as one of the founders of the Congressional Glaucoma Caucus, I want to praise the work of a far-seeing business firm, the Pharmacia Corporation which encouraged and supported the formation of the Friends of the Congressional Glaucoma Caucus Foundation. The Congressional Glaucoma Caucus is a bipartisan group that grew out of discussions with several of my