military, provide a prescription drug benefit under Medicare, safeguard Social Security, pay off the national debt, and provide for continued prosperity; or on the other hand, we can opt for nearly $700 billion, probably over $700 billion just for the wealthiest 1 percent. I know that we have got to make a responsible decision. I hope when we do so, we recognize that choosing a President is not a popularity contest. It is, rather, choosing a plan by which the economy of this country will be managed over the next 4 years.

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The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, beginning on April 12, for the 21 weeks that the House has been in session, I have read 22 letters from MI seniors who desperately need help with their high prescription drug costs.

In that time, I have been pushing consistently for prescription drug coverage under Medicare. Our time is nearly up, and we still have not passed this important legislation.

Looking back through the 22 letters that I have read on the House floor, I am reminded of why it is so important to modernize Medicare and provide prescription drug coverage for seniors. I would like to share excerpts from these letters to remind my colleagues why we must enact a Medicare prescription drug benefit.

From Mary Hudson of Fenton: ''Last summer, I went to a doctor . . . and was given a prescription costing $44—which I got filled. But the other was $90—which I would not [fill]. Who can afford these prices and pay other bills too?''

From Ethel Corn of Marquette: ''Here is our prescription bill for what we can afford—and you can see I don't get all of mine.''

Jackie Billion of Lansing: ''Quite often I have to decide whether I get some of my prescriptions or eat. I hope and pray that seniors will receive prescription coverage.''

From Louise Jarnac of Cheboygan: ''The last time I got my prescription it was $99.99 . . . this time it was $103.49. Most of the time I can't afford it and go without until I can get it again.''

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BUDGET BATTLE CONTINUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, it is 4:12 p.m., the House has finished its regular business for the day, the government does not yet have a budget for the fiscal year which began 1 month ago today, and no meetings are scheduled.

When the Republican leader who stood up on that side to represent the schedule to us on the minority earlier was asked, okay, where are we negotiating?, he said, well, he would try and get back to us with a room number on that. That was after they attempted to castigate this side, castigate the President and others for not negotiating in good faith. They have not, and they, of course, control all the space around here, scheduled a room.

Why have they not scheduled a room? Because they have no intention of continuing negotiations. We are limping along day to day because the majority failed to get its work done. They did not have a budget for the fiscal year which began on October 1. We have gone through a series of continuing resolutions. I believe today was the 11th.

Now, there was one little ray of hope on Monday. They negotiated all weekend. Everybody designated their hitters to go into the room. And they came to an agreement. They toasted that agreement. They left the room. The White House negotiators went back to the White House and the President said good for you. He stood behind what they did. The Senate negotiators went back to the Senate and their leaders, both sides of the aisle, stood behind them and said good for you. The Democratic negotiators came back to our side of the aisle and we said, Didn't think you could get it done. Good for you. But then in the strangest turn of events, the Republicans, the Republican leadership, pulled the rug out from the people that they sent in as their designated hitters to negotiate.

Now they are saying, Well, the President wasn't in the room. Of course the President was not in the room. The President does not sit down for endless hours working on details on legislative bills. That is our job. And we got the job done. But then you, because of the phone calls from the National Association of Manufacturers, the U.S. Chamber of Commerce and other very, very powerful special interest groups who are funding huge television campaigns right now on behalf of the majority and on behalf of the majority's candidate for President and against members of the minority said, No. No, you can't have that agreement. They stood up, saluted and said, okay.

It would have provided for additional workplace health and safety for American workers. Hundreds of thousands of workers who are injured every year would have benefited from that legislation and the financial and political masters of the majority on that side told them they could not do that. They were the only people to renege on the deal. Republicans in the Senate stood behind it, the President stood behind it, the Democrats in the House and in the Senate stood behind it; but no, the Republican leadership in the House killed the deal. And now they are pretending they want to work, but they have no discussions set. They do not even have a room scheduled.

This is really kind of a sad commentary at this ending of a Congress. I really think that we could do with a little bit of honesty around here. If they do not want to negotiate, if they just want to stay in town to make some kind of a bizarre point, then they should just be honest about it. Do not pretend. Do not go off on this stuff about, Oh, the President's not in the room. You know that no President sits down to discuss legislative details. But when they sent a hitter there, someone to go as a designated person to negotiate, this President stood behind his person. You did not stand behind your negotiators. Guess what? The Speaker was not in the room. The gentleman who killed the bill, the gentleman from Texas (Mr. DELAY), the majority whip, was not in the room. The majority leader, the gentleman from Texas (Mr. ARMEY), was not in the room.

We could have that argument all day long. Oh, your leader wasn't in the room. Oh, your President wasn't in the room. That is not what is going on here. The real shots are being called not over there with the leadership but with their funders, the people who are funding their campaigns. They call the real shots and they jerked the rug out so we do not have a deal. And it is not going to happen before the election because they cannot risk offending those people before the election.

So let us just admit that. Let us have the majority admit to that instead of continuing this farce and these false accusations.

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ON IDEA FULL FUNDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, as our conferees deliberate the appropriations for the Department of Labor, Health and Human Services and Education, I would like to take this opportunity to urge and insist upon the highest level of funding possible for special education State grants.

November 29 of this year celebrates the 25th anniversary of the enactment of IDEA. For almost a quarter of a century now, the Federal Government has assisted in the education of our children with disabilities and for almost that same quarter of a century, the Federal Government has failed to meet its obligations.

A Kansas school on average uses 20 percent of its budget for special education purposes. Schools in my area of Kansas cannot afford to put one-fifth of their entire budget into special education. This year Kansas schools will spend $454 million in meeting the Federal special education mandate. Of this total, only $38 million, about 8 percent, will come from the Federal Government despite our previous commitment 25 years ago of a 40 percent commitment.

In my previous service as a member of the Kansas Senate, we struggled

each and every year to adequately fund the education of students in our State. In actual dollars if special education were actually funded at that 40 percent, Kansas would receive $181 million from the Federal Government. This means $143 million in Kansas State and local education funds would be available for other educational needs.

These numbers make it clear that special education costs consume education budgets of State and local school districts. Schools are not maintained properly, teachers do not get hired, and classroom materials do not get purchased. Our schools are not asking for new Federal programs. They are asking for the Federal Government to pay its share of special education costs so that other funds can be freed up for maintaining buildings, hiring teachers and buying classroom materials.

Congress has made significant progress in recent years to increase Federal funding for special education. In my 4 years as a Member of Congress, we have increased IDEA State grants from $3 billion to $5 billion. That is a 67 percent increase in just 3 years.

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We still have a long way to go. For far too long, the Federal Government has mandated this program without paying its share. Today let us make the commitment to change all that and support full funding of IDEA.

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The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentleman from Texas (Mr. BRADY) is recognized for 5 minutes.

(Mr. BRADY of Texas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

(Mr. HORN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. PORTMAN) is recognized for 5 minutes.

(Mr. PORTMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

(Mr. GOSS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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GAO STUDY ON RUSSIAN TRANSITION TO MODERN ECONOMY IS DISPIRITING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH. Mr. Speaker, in June of 1998, the Committee on Banking and Financial Services held a series of hearings on financial instability around the world, including Russia, whose economy was soon to be devastated by the collapse of its domestic bond market and a devaluation of the ruble.

Afterward, I asked the General Accounting Office to conduct a study of the effectiveness of U.S. and other western assistance in facilitating Russia's transition from a failed Communist-style command economy to a modern market economy. The committee's ranking member, the gentleman from New York (Mr. LAFALCE), joined me in that request.

The GAO has now completed its works and the findings are disturbing, indeed dispiriting. Between 1992 and September of 1998, the United States and the West, including the International Monetary Fund, the World Bank and the European Bank for Reconstruction and Development, provided some $66 billion in assistance to Russia, not counting food aid, trade credits and debt rollovers. Of this, the United States contributed $2.3 billion in bilateral grants under the Freedom Support Act to address humanitarian needs and support economic and democratization reform. According to the GAO report which was issued today, far from putting post-Communist era Russia on a course of prosperity and stability, these funds were largely wasted. Russia's economic decline has been more severe and its recovery slower than anticipated, the GAO report notes. Progress toward reaching broad program goals have been limited.

The assistance was, in fact, worse than wasted. Because donors lacked clear strategy and coordination, as the GAO observes, the money which was virtually thrown at Russia contributed to the spread of a culture of corruption and the concentration of some of the country's most valuable economic assets in the hands of a handful of oligarchs who operate on the margin of, if not altogether outside, the law.

These politically powerful economic groups have had little interest in reform. Thus, to a significant degree, western aid programs were not only ineffective; they provided fuel to groups that opposed reform.

Consider the Russian banking system. Donors recognized that an efficient and competitive financial system was a basic need if the economy was to prosper. To this day, however, 8 years after the collapse of Communism and the break-up of the Soviet Union, Russia does not have a banking system worthy of the name. There are more than 1,000 banks in Russia, but their total assets are only about $65 billion, the level of a mid-size provincial bank in the United States.

This is because the Russian public does not trust their own banking institutions. Most of these banks, particularly the small ones, exist as money laundering platforms to help their clients evade taxes, duties and other legal requirements, and to spirit capital to overseas havens. More than $100 billion has fled the country, and some estimates place the amount much higher.

The GAO analysis released today underscores an unfortunate but inescapable conclusion: The United States and the West missed one of the great foreign policy opportunities of this century, to bring Russia into the Western family of nations, politically as well as economically. Despite the aid, Russia's economic decline was among the most severe and its recovery among the most limited among transition countries in Eastern Europe and the former Soviet Union. Many Russians have concluded that the West deliberately impoverished their country. Today only 37 percent of the Russian people have a favorable view of the United States, down from some 70 percent in 1993.

Among the key findings of the GAO report are:

One, that the U.S. and the West failed to object strongly to the corrupt loans for shares privatization scheme that consolidated the business empires of Russia's oligarchs.

Two, Russia's primary motivation of borrowing from the IMF was less to stabilize and reform its economy than to become eligible for debt relief from the United States and other creditor countries through the Paris Club.

Three, the IMF was pressured by key shareholders to support new loans for Russia in 1994 and 1996 in an effort to demonstrate U.S. and Western political support for President Yeltsin.

Four, despite compelling evidence of an absence of the rule of law and massive governance challenges, explicit anti-corruption efforts have represented a relatively small share of international assistance to Russia.

And lastly, little or no progress has been made in strengthening Russia's banking and financial system.

The recent rise in world oil and commodity prices has improved the trade balance of Russia, but continuing capital flight indicates major legal reforms have yet to occur. As a result, the business climate in Russia is still unfavorable. In a recent strategy review, the EBRD concluded, severe weakness in the rule of law continues to undermine investment. The power of vested interest to hold back critical reforms must be effectively checked. Standards of corporate governance need to be strengthened. Without demonstrable progress in these areas, Russia's impressive recovery is not sustainable.

Despite these failures and frustrations, the U.S. cannot afford to remain uninvolved with Russia. Stretching across 11 time zones, twice the distance from New York to Honolulu, almost halfway around the world, Russia is a country without which no serious international issue can be resolved.