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**FOREIGN ASSISTANCE LEGISLATION
FOR FISCAL YEARS 1992-93**

(Part 9)

**AND SUPPLEMENTAL FOREIGN ASSISTANCE
REQUEST FOR FISCAL YEAR 1991**

MARKUP

BEFORE THE

**COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES**

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

MAY 7, 9, 14, 21, 22, AND 23, 1991

Printed for the use of the Committee on Foreign Affairs



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FISCAL YEARS 1992-93**

Part 1—Full committee

**Part 2—Subcommittee on International Security and Scientific
Affairs**

Part 3—Subcommittee on Europe and the Middle East

**Part 4—Subcommittee on Human Rights and International Orga-
nizations**

Part 5—Subcommittee on Asian and Pacific Affairs

**Part 6—Subcommittee on International Economic Policy and
Trade**

Part 7—Subcommittee on Africa

Part 8—Subcommittee on Western Hemisphere Affairs

Part 9—Full committee markup

AUTHORIZATION REQUEST FOR FOREIGN ASSISTANCE FOR FISCAL YEARS 1992-93

TUESDAY, MAY 7, 1991

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC

The committee met in open markup session at 10:43 a.m. in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. The committee will come to order.

We meet today to begin consideration of the foreign assistance legislation, starting with the reports of the subcommittees on their recommendations.

Each Member has a committee print which represents a composite of the generic or the worldwide portion of the Foreign Assistance Act, and that draft is a melding of H.R. 2655, which contains the committee's rewrite of the act two years ago, and H.R. 1792, which is this administration's rewrite. And the second part contains the recommendations of the subcommittees.¹

Right now we have limited copies of the print, which we hope will last us through the entire markup. So if you would be kind enough to hang onto those and return them so that we can use them again, that would be very much appreciated.

Tomorrow we had envisioned that the caucuses will walk through the bill.

When is the Democratic caucus?

Mr. YATRON. Ten o'clock.

Chairman FASCELL. Ten o'clock in the morning, and the Republican caucus is when?

Mr. BROOMFIELD. Three o'clock.

Chairman FASCELL. Three o'clock in the afternoon. We will walk through the bill and then see what we can do to effect closure on whatever differences of opinion might still exist, and we will start the markup, hopefully on Thursday, and we will continue until we finish.

Mr. Broomfield.

Mr. BROOMFIELD. Mr. Chairman, I have a statement to make regarding the work of the committee today.

Last December, you and I, with Congressmen Hamilton and Gilman, wrote letters urging the administration to work with the committee toward the passage of an overall Foreign Assistance Act.

¹ The committee print is retained in the committee files.

In a good faith effort to engage in this process, the administration submitted a bill in mid March. At the administration's request, the Chairman and I introduced this bill—H.R. 1792. It was a good first step toward improving the Foreign Assistance Act.

In producing the core of the document before us today, we took the best parts of H.R. 1792 and merged them with H.R. 2655, the foreign aid rewrite which died after passing the House during the last Congress.

Now, the administration has not yet formally commented on this product. They saw it for the first time yesterday, and I am hopeful that we can hear from the administration before the markup on Thursday. The administration has, however, already reacted to the product of the subcommittees.

I would like to submit for the record two letters dated May 3 of this year from the Administrator of the Agency for International Development, Ronald Roskens, and from Assistant Secretary of State for Legislative Affairs, Janet Mullins.

[The letters follow:]

AGENCY FOR INTERNATIONAL DEVELOPMENT

110 TWENTY FIRST STREET, N.W.
WASHINGTON, D.C. 20515

The Administrator

The Honorable William S. Broomfield
Committee on Foreign Affairs
House of Representatives
Washington, D.C. 20515

Dear Congressman Broomfield:

I am writing to express my concern about the subcommittee recommendations for the foreign assistance authorization bill, and to urge bipartisan support for the Administration's proposed rewrite of the Foreign Assistance Act (H.R. 1792) at the full committee mark-up.

We share the conviction that the current legislation is outdated and excessively cumbersome. As President Bush said in his April 12, 1991 letter to the Speaker, we need to "regain the essentials of administrative simplicity, flexibility, accountability, and clarity of purpose that originally characterized the Foreign Assistance Act of 1961." I pledge to work in close cooperation and consultation with you to improve the legislative framework for the formulation of foreign policy and the provision of foreign assistance.

Elimination of multiple functional accounts is fundamental to achieving our goals of improving the legislative framework. As you are aware, the Development Fund for Africa (DFA) is proof that we can accomplish development objectives and have effective Congressional oversight without rigid functional accounts and earmarks. This approach has been received with considerable enthusiasm; both A.I.D. and Congress have demonstrated a high degree of satisfaction with this experiment. More recently the GAO has also favorably endorsed the progress made in executing programs under the less rigid authorities offered by the DFA.

Further evidence of the urgent need for broad reform of the FAA is unfortunately demonstrated by some legislative proposals of the Foreign Affairs subcommittees which have produced draft legislation that is seriously at odds with both the Hamilton-Silman Task Force Report and H.R. 1792. In taking a "business as usual approach," the subcommittees have excessively earmarked funds and further reduced the President's ability to effectively provide foreign assistance. The most egregious example of this

is the Africa Subcommittee's earmarking of \$123 million. This approach is inconsistent with the precepts of the DPA that have been affirmed by Congress since 1988, and thus represents a regressive step after several years of successful collaboration.

There are numerous other provisions which pose especially serious impediments to effective achievement of our foreign assistance goals.

-- The International Trade and Economic Policy Subcommittee has recommended a series of earmarks and measures which threaten the integrity of the Administration's private sector initiatives on which it places high priority.

The subcommittee has eliminated A.I.D.'s authority to finance private sector development activities with loans and guarantees by terminating, and providing no alternative to, Section 108 of the FAA. The effect of the subcommittee's action is to force A.I.D. to fund all future private sector programs with scarce grant funds or to forgo such programs entirely. Section 1201 of H.R. 1792 is intended to replace Section 108 of the FAA; however, the subcommittee has failed to endorse Section 1201 or provide any alternative to it.

In addition, through combined earmarking of \$85 million for microenterprise activities and subearmarking \$20 million for a lending program for loans of under \$300, the subcommittee has recommended imposing inflexible criteria which inhibit A.I.D.'s ability to tailor individual country programs to local needs.

Both of these programs are critical to generating new employment and education opportunities which will increase incomes of entrepreneurs and their employees.

-- The Asia and Pacific Subcommittee has recommended specific prohibitions on the Pakistan program and has reprogrammed for Nepal and the South Pacific most of the President's request for \$25 million in development assistance for Pakistan. These recommendations could complicate Administration discussions with the Government of Pakistan and would limit the President's ability to respond to needs in Pakistan, should the nuclear non-proliferation issue be resolved, or needs elsewhere should a new opportunity arise. Furthermore, the restrictions are contrary to the goal of eliminating country-specific legislation and restoring flexibility and simplicity in the foreign assistance law. They also undermine the President's ability to develop and execute a coherent foreign policy agenda.

-- The Western Hemisphere Affairs Subcommittee limits certain economic and food assistance in Guatemala. By prescribing activities which can be funded, other activities by their omission are proscribed. For example, balance of payments support to the Government of Guatemala would not be possible. This level of oversight is neither advisable nor necessary. While we are not planning balance of payments assistance to Guatemala in FY 1992, the President should retain the ability to provide assistance in the most effective manner. In addition, A.I.D. would be unable to promote trade and investment activities targeted primarily in the agriculture sector, the largest employer of the poor in Guatemala.

These examples serve to illustrate A.I.D.'s deep concern regarding the process which is unfolding. Detailed discussions of additional issues are enclosed.

The Administration has proposed in H.R. 1792 an approach to establishing foreign policy goals and providing assistance in ways which enable the accomplishment of these goals. The Administration is also firmly committed to building a collaborative and consultative relationship in the execution of a bipartisan foreign assistance program. In this regard, the DFA has already established a credible track record. Further, it provides a departure point for the evolution of a partnership with Congress with respect to the entire foreign assistance program.

It is my hope that you will join with us in building upon and expanding this partnership. In this way the President's leadership in foreign affairs can be enhanced and the oversight role which Congress must play in this process can be re-affirmed.

Your leadership in trying to assure fair consideration of the Administration's bill in full committee is appreciated. I look forward to working with you further to create a truly new and better Foreign Assistance Act.

Sincerely,


Ronald W. Roskens

Enclosure: a/s



United States Department of State
Washington, D.C. 20520

MAY - 3 1991

Dear Mr. Broomfield:

You and the other senior Members of the House Foreign Affairs Committee wrote Secretary Baker in December and renewed your invitation to work cooperatively in drafting a new legislative mandate for foreign assistance. In spite of the enormous challenges we faced in liberating Kuwait, we recognized that your invitation was serious and we responded to the challenge.

We share your view that we have a unique opportunity to move forward on a bill this year. As you stated in your letter, "Agreement on comprehensive legislation in 1991 would establish a basis for enhanced executive-legislative cooperation in foreign assistance policy for the remainder of the decade".

The President has taken an active and personal interest in this effort. During his remarks to the Joint Meeting of Congress following the liberation of Kuwait, the President referred to the difficulties posed by micromanagement of our foreign assistance programs. The President took the unusual step of sending a letter accompanying the bill as it was transmitted to the Speaker and the President of the Senate. In it he described in detail the great importance which he attaches to this legislation.


Now the subcommittees have acted, and you are approaching full committee markup. Unfortunately, most subcommittees have recommended legislative language that stands in stark contrast to the direction taken by the Administration. As you can see from our enclosed comments, we believe much work needs to be done. It is our hope that before and during full committee markup you and your colleagues will address the concerns we have raised. I would like to add, however, that we are pleased by the fact your Arms Control Subcommittee adopted several important policy and procedural initiatives proposed by the Administration.

We have a real opportunity here to change fundamentally the way we do business. We can streamline the law, remove restrictions, conditions and earmarks, and give the President the flexibility he needs in a rapidly changing world. At the same time, the President has pledged to work closely and

The Honorable
William S. Broomfield,
House of Representatives.

cooperatively with Congress throughout each stage of the foreign policy-making process. We stand ready to work with you in this effort, and we ask that the Committee act on the basis of our concerns.

Sincerely,


Janet G. Mullins
Assistant Secretary
Legislative Affairs

Enclosures:
As stated.

Mr. BROOMFIELD. Much to the disappointment and frustration of the administration, as well as some Members of this committee, the reform bill developed at the full committee level has been combined with subcommittee recommendations that would earmark billions of dollars, mandate numerous reports from the administration and micro-manage U.S. foreign policy in every corner of the globe.

Mr. Chairman, I have served on this committee for more than 30 years under presidents of both parties, and I have witnessed numerous attempts, both successful and certainly unsuccessful, to enact foreign aid bills into law. When there is bipartisan support and cooperation with the executive branch, success is sure to follow. You and I both know this, and you try to do it all the time.

Unfortunately, I can assure my colleagues that the bill before the committee this week does not fit that description. We must act with clarity in the foreign policy debate. The failure to do so will result in defeat.

Yes, this bill will pass the committee. Sure, particular provisions will probably carry through the House. And come fiscal 1992, it will be business as usual with the appropriators deciding the composition of foreign aid programs and dollars.

Now, in conclusion, Mr. Chairman, I would like to submit for the record a laundry list of the earmarks, reports, notifications and restrictions mandated by this bill. And if you look over the list, it is just incredible the number of legislative directives that are contained in this bill. Just take a look at them—page after page of entries. I have never seen anything quite like it. This is the whole problem right here.

Thank you.

[The list follows:]

Israel is earmarked to receive \$3 billion in FY 1992, and an increase to \$3.2 billion in FY 1993 to account for a decline in real terms of the value of U.S. assistance to that country (due to inflation, etc.) In addition, the bill requires at least \$300 million in U.S. defense stocks to be positioned in Israel, and Israel is granted \$700 million in drawdown authority to acquire excess U.S. defense articles, services, and education and training. Egypt is earmarked to receive \$1.15 billion in FY 1992 and FY 1993, \$10 million is authorized to finance the regional promotion of democracy in the Middle East through non-governmental organizations in FY 1992 and FY 1993. West Bank and Gaza are earmarked to receive \$16 million in FY 1992 and FY 1993. Assistance to Syria is conditioned and a Presidential determination required prior to any future delivery. The transfer of captured Iraqi military equipment from the United States to other countries is placed within congressional notification procedures. Sense of the Congress language urges Iraqi compensation for war damages to Israel, and a report is mandated to monitor the Middle East Peace process. All officials or representatives of the U.S. government are prohibited from conducting negotiations with the Palestine Liberation Organization (PLO) or its representatives unless he determines to Congress that the PLO has undertaken certain steps. The President must report to Congress that U.S. assistance is sufficient to allow Israel to maintain its qualitative military advantage over Arab nations. Sense of the Congress language urges a Syrian withdrawal from Lebanon, and in FY 1992 and FY 1993 assistance for Lebanon is earmarked at \$4 million in Economic Support Fund and \$6 million in Development Assistance. Prior to making any defense sales to Lebanon the President is required to submit a detailed analysis and report to Congress regarding the purpose, value and end-user. Sense of the Congress language outlines policy toward Cyprus, urges a just settlement, and calls for a progress report from the Administration. \$15 million is earmarked for Cyprus in FY 1992 and in FY 1993 for scholarships and bicomunal projects. \$350 million in military assistance is earmarked for Greece in FY 1992 and in FY 1993. \$500 million in military assistance is earmarked for Turkey in FY 1992 and in FY 1993. (This maintains the 7:10 ratio.) Sense of Congress language urges Turkey's admission to the European Community, and the U.S. Southern Flank policy language is updated to encourage further cooperation between Greece and Turkey. The Support for Eastern European Democracy (SEED) Act is expanded to include new authorities and all Eastern European countries which meet the stated eligibility requirements. \$388.5 million is authorized for the SEED program in FY 1992 and in FY 1993. This money is broken down into four categories: private enterprise; democratic institutions; environment and energy; and economic stabilization. \$20 million is earmarked for the International Fund for Ireland in FY 1992 and FY 1993, and a progress report is mandated. \$35 million is earmarked for the American Schools and Hospitals Abroad (ASHA) program in FY 1992 and FY 1993. The U.S. is prohibited from providing Arab countries with antitank shells made of depleted uranium. In FY 1992 and 1993 \$15 million is earmarked for the Baltics and other Soviet Republics with democratic governments, \$5 million is earmarked for Armenian earthquake victims, and \$5 million is earmarked for the Soviet-Eastern European Research Center. Hunting rifles and shotguns made in Eastern Europe are exempted from a U.S. import ban. Sense of the Congress language supports a unified Yugoslav state, but insists upon democratic reforms and the observance of human rights. A separate provision singles out for criticism the Yugoslav government's treatment of ethnic Albanians in the Kosovo region. The President is urged to impose economic sanctions against Burma, and future U.S. economic assistance and arms sales to Burma are made contingent upon a notification to Congress. Sense of the Congress language urges a peaceful settlement in Cambodia, and up to \$20 million is authorized in FY 1992 and FY 1993 for humanitarian assistance in Cambodia and for displaced persons on the border of Thailand. Assistance to the Khmer Rouge or to anyone who cooperates with the Khmer Rouge is prohibited, but the latter may be resumed if cooperation ceases. An additional \$5 million is earmarked for children and war victims in Cambodia, and the President is authorized to provide non-military training to non-communist Cambodians and resettlement assistance

for displaced persons. Arms sales to Fiji are prohibited pending a determination by the President that free and fair elections have been held. Sense of the Congress language urges the Malaysian government to continue to provide first asylum to refugees from Southeast Asia. The U.S. contribution to the Multilateral Assistance Initiative (MAI) for the Philippines is authorized at \$1 billion over five years, and up to \$160 million specifically in FY 1992. Included in this section are policy language, linkage to the economic reform effort in the Philippines, and reporting requirements on progress. The South Pacific Regional Program is earmarked at \$29.25 million in FY 1992 and FY 1993, with \$2 million earmarked for scholarship programs in both years. The Agency for International Development is directed to consolidate all Asia programs in a single bureau. Sense of the Congress language urges further progress on the POW/MIA issue, and endorses up to \$200,000 in humanitarian assistance to be provided to Laos. Sense of the Congress language urges admission of South Korea, Taiwan, Hong Kong and Singapore into the Organization for Economic Cooperation and Development (OECD). \$1 million is earmarked to assist Burmese refugees in Thailand. U.S. arms sales to the People's Republic of China (PRC) are conditioned upon an annual certification, made by the President, that no technology or equipment of U.S. origin or for weapons of mass destruction was transferred from the PRC to Iran, Iraq, Syria, Libya or Pakistan. The President is authorized to provide humanitarian assistance to Afghanistan, and sense of the Congress language urges all parties to cooperate in the clearing of land mines in that country. Sense of the Congress language encourages continued negotiations on a settlement in Afghanistan and, in a separate provision, supports democratic reform in Bangladesh. U.S. assistance to Nepal is earmarked at \$15 million in FY 1992, with an additional \$10 million earmarked if a democratically elected government is in place. The prohibition on U.S. assistance to Pakistan is continued pending certification, by the President, that Pakistan does not possess a nuclear explosive device. Sense of the Congress language condemns human rights abuses in Sri Lanka and the delivery of U.S. assistance is conditioned upon the human rights record of Sri Lanka. The Development Fund for Africa (DFA) is authorized at \$1 billion in FY 1992 and \$1.2 billion in FY 1993. \$14.95 million is earmarked for the Africa Development Foundation in FY 1992 and FY 1993. \$75 million is earmarked for the Southern Africa Development Coordination Conference in FY 1992 and FY 1993. \$28.3 million in Economic Support Funds is earmarked for sub-Saharan Africa in FY 1992 and FY 1993. \$10 million of the DFA is earmarked for programs to combat AIDS in sub-Saharan Africa. Sense of the Congress language urges continued democratization in sub-Saharan Africa, and \$10 million of the DFA is earmarked for this purpose in FY 1992 and FY 1993. \$1 million of the DFA is earmarked in FY 1992 to create an African Center for Conflict Resolution. Sense of Congress language urges continued efforts to negotiate an end to the civil war in Angola. The President is ordered to consider the status of military reform, human rights and refugee repatriation in Burundi prior to furnishing assistance to that country. Sense of the Congress language condemns human rights abuses in Ethiopia, supports Eritrean self-determination, presses for a negotiated settlement to the Ethiopian civil war, and urges the President to use existing authority to impose sanctions against Ethiopia pending progress in those areas. The President is required to report to Congress every 90 days on conduct of the Ethiopian government. Sense of the Congress language condemns human rights abuses in Kenya, and all forms of assistance to that country are prohibited unless the President determines that human rights abuses have been curbed. Disaster Assistance is authorized for Liberia, and suspended U.S. foreign assistance obligations are reauthorized to finance peacekeeping operations. All U.S. government-to-government assistance to Liberia in FY 1992 and FY 1993 is conditioned upon a Presidential certification that the recipient government is respecting human rights and moving toward reconciliation with all parties to the conflict in Liberia. Sense of the Congress language criticizes the human rights record of the Government of Malawi. U.S. economic and military assistance to Malawi are prohibited in FY 1992 and FY 1993 unless the President determines and reports to Congress that human rights are being

respected in that country. Sense of the Congress language encourages increased U.S. bilateral and multilateral assistance to Mozambique — premised upon an improving human rights performance — and requires the President to report annually on the status. U.S. assistance to Somalia in FY 1992 and FY 1993 is conditioned upon a Presidential determination that the Government of Somalia is in place due to free and fair elections. Food assistance to refugees in Somalia in FY 1992 and FY 1993 is conditioned upon impartial accounting of refugees, the disarming of refugees, and limited to an amount of food that corresponds to the number of refugees. Sense of the Congress language encourages expanded U.S. efforts to eliminate apartheid and assist disadvantaged groups in South Africa. \$20 million of the DFA is earmarked in FY 1992 and FY 1993 for low-income housing in South Africa. The delivery of all forms of assistance to Sudan is prohibited in FY 1992 and FY 1993, except that humanitarian assistance may be delivered through non-governmental organizations. Sense of the Congress language encourages movement toward democracy in Zaire. The delivery of all forms of U.S. assistance is prohibited in FY 1992 and FY 1993 except that humanitarian assistance may be delivered through non-governmental organizations. The United States Commission on South Africa is established to facilitate and coordinate private sector assistance to disadvantaged South Africans. \$1 million the DFA is earmarked in FY 1992 to finance the Commission. Sense of the Congress language encourages a lowering of U.S. trade barriers to sub-Saharan African imports, and in a separate provision commends sub-Saharan African nations for their support during the Persian Gulf crisis. Prior to furnishing International Military Education and Training (IMET) assistance to a sub-Saharan African country, the President must make a determination and report to Congress that the recipient's government is democratically elected, the human rights record of the recipient's government and armed forces, and whether the recipient's government or armed services are engaged in destabilizing any other country. \$6 million of DFA is earmarked for International Fund for Agricultural Development for activities in Africa in FY 1992 and FY 1993. Prohibitions on U.S. assistance to Sub-Saharan countries are waived in the case of narcotics assistance and democracy assistance delivered through non-governmental organizations. Language conditioning U.S. assistance to El Salvador was deferred to a later date in order to avoid endangering negotiations to end the civil war in that country. Policy language encourages U.S. assistance to facilitate regional development, refugee assistance, multilateral cooperation, and democratization in Latin America. The sale or transfer of U.S. military aircraft to Central America in FY 1992 and FY 1993 is prohibited pending compliance with Congressional notification procedures, and the Secretary of State is required to notify Congress of aircraft transfers by any foreign suppliers into the region. All military sales and transfers to Guatemala are prohibited in FY 1992 and FY 1993 unless the President reports to Congress that the civilian government has gained control over the military, that human rights are being upheld, and that a number of outstanding murder or assassination investigations have been resolved. Humanitarian assistance, except for non-balance of payments economic assistance, may be provided to assist the poor, encourage economic reform, and to promote democracy, but in no case may weapons, ammunition, or military aircraft be made available to Guatemala. In FY 1992 and FY 1993 U.S. assistance may not be provided to Nicaraguan resistance members who have not disarmed. \$25 million is earmarked in FY 1992 and FY 1993 for refugee assistance in Central America. Comprehensive policy language details future U.S. assistance policy to the Caribbean region. Sense of the Congress language supports democratization in Haiti and urges the President to provide \$100 million to that country in FY 1992 and FY 1993. All military assistance to Haiti is placed under Congressional notification requirements. \$1 million of U.S. assistance shall be withheld from the Dominican Republic unless the President certifies that the Dominican government is taking steps to end the abuse of Haitian laborers in the sugar cane industry. U.S. military assistance to Guyana is prohibited unless the President determines that the recipient government was freely elected. Narcotics assistance and democracy assistance may be provided to Guyana and,

if the President determines that free and fair elections were held, sense of the Congress language urges at least \$20 million be provided in FY 1992 and FY 1993, with \$3 million earmarked for basic human needs. Assistance to Andean countries is directed toward improving the economic plight of coca farmers to encourage crops substitution and alternative development. \$16 million is authorized in each fiscal year for Administration of Justice (AOJ) programs in the Andean nations, with \$1 million earmarked to finance the promotion of human rights. The subceilings on military and law enforcement assistance to Andean nations are reduced to \$100 million each in FY 1992 and FY 1993, and the overall regional assistance ceiling is lowered to \$200 million per year. Peru's Sinchi Police are prohibited from receiving any U.S. assistance. Certain forms of economic assistance are exempted from the prohibition on delivery of U.S. assistance to nations which do not cooperate with U.S. antinarcotics efforts. The AOJ program for Central America is authorized at \$10 million in FY 1991, FY 1992, and FY 1993. \$2.5 million of the AOJ is earmarked for – and limited to – the Caribbean International Criminal Investigative Training Assistance Program (ICITAP) in FY 1992 and FY 1993. The Inter-American Foundation is slightly reconfigured and authorized at \$28.8 million in FY 1992 and \$31 million in FY 1993. All U.S. military sales and transfers to Chile in FY 1992 and FY 1993 are subjected to Congressional notification procedures. All U.S. assistance programs in Latin America and the Caribbean are to be suspended if a military coup overthrows an elected civilian government, and all U.S. military sales or transfers to the region are required to be undertaken with the consent of the recipient's elected civilian government in order to strengthen civilian control over the military in the region. The subcommittee marked up separate legislation authorizing a modified version of the Administration's proposed Enterprise for the Americas debt relief package. This may be attached to the foreign assistance authorization bill at Full Committee markup. The authority of the Private Sector Revolving Fund program to issue loans or guarantees is terminated on September 30, 1991. The Trade and Development Program (TDP) is reconfigured as the Trade and Development Agency (TDA). The TDA has broader authority to perform concept and detail design of development projects. The TDA is authorized at \$58 million in FY 1992 and \$70 million in FY 1993. Housing Guarantee Authority is revised and an overall credit ceiling of \$3.4 billion is placed on outstanding loan authority. Guarantee obligations (anticipated defaults) are authorized at \$2.3 million in FY 1992 and \$8.1 million in FY 1993. \$8.5 million is authorized for operating expenses in FY 1992 and FY 1993. The Overseas Private Investment Corporation (OPIC) is allowed to tap accumulated user fees for its operating expenses – in essence making OPIC self-sustaining. In addition, a pilot program is established to provide small-scale funding for community-based organizations. U.S. exporters and investors dealing with the PRC or Tibet must pledge to adhere to a detailed code of conduct in order to be eligible for Federal Government marketing support. The Microenterprise Program is reconfigured to limit access only to the very poor, and is authorized at \$85 million in FY 1992 and FY 1993. The Subcommittee marked up separate legislation authorizing a modified version of the Administration's proposed Enterprise for the Americas debt relief package. This may be attached to the foreign assistance authorization bill at Full Committee markup. U.S. voluntary contributions to international organizations are authorized at \$300.612 million in FY 1992 and FY 1993. The United Nations Development Program (UNDP) is earmarked at \$125 million. The United Nations Children's Fund (UNICEF) is earmarked at \$83 million. The United Nations Environmental Program (UNEP) is earmarked at \$18 million. The International Fund for Agricultural Development (IFAD) is earmarked at \$18.362 million. \$4 million is earmarked for the IFAD Special Program for Africa. The U.S. contribution to the International Atomic Energy Agency (IAEA) is conditioned upon a certification by the Secretary of State that full participation is not being denied to Israel. The Southwest African People's Organization (SWAPO) is removed from the list of entities which may not belong to U.S.-financed international organizations. Sense of the Congress language urges the United Nations (UN) to repeal UN Resolution 3379

declaring that Zionism is racism. The Child Survival Fund is earmarked at \$130 million for FY 1992 and FY 1993. \$10 million of Development Assistance (DA) is earmarked for reducing the Vitamin A deficiency in developing countries. Maternal and Child Health authority is expanded to include access to maternal, prenatal, and neonatal health care. For any country in which the United States has development program, the President is required to report -- in detail -- why the U.S. has not established a child survival program or a basic education program, respectively, in every country which has either an infant mortality rate of over 70 deaths per 1,000 births or in which fewer than 80 percent of the children complete primary schooling. The Subcommittee bill includes provisions consolidating military assistance into one funding source; replacing the Arms Export Control Act with a new Defense Trade and Export Control Act; improving accountability for the use of military assistance; coordinating military assistance with other foreign policy objectives; revising notification procedures for transferring excess defense articles and stockpiling defense articles; and modifying arms transfers threshold reporting requirements. The Subcommittee also discussed controversial language to implement a conventional arms transfer restraint policy for the Middle East. The proposal calls for a unilateral four month U.S. moratorium on conventional arms sales to the Middle East as means to induce other nations to engage in negotiations for a wider-ranging multilateral regime for promoting arms control in that region of the world. The Subcommittee took no formal action on the proposal but agreed to discuss the language with other members of the Committee and Administration officials previous to its inclusion in the full Committee markup. The Subcommittee recommended the following FY 92-93 authorization levels for security assistance: \$4.64 billion for the Foreign Military Financing Program (FMF), \$52.5 million for International Military / and Education Training (IMET), \$28 million for Peacekeeping Operations (PKO), and \$15 million for Anti-Terrorism Assistance (ATA). The Subcommittee recommendations fully met the Administration's authorization request for these accounts.

Chairman FASCELL. Without objection, all that will be put in the record, of course, and we are glad to have the details that are represented there.

We have always had this problem, as long as I can remember, with regard to conditions, restrictions, limitations, earmarkings and reports. And it was a genuine effort on our part, when we wrote H.R. 2655, to eliminate as much of that as we could, but we ran into a thing called political reality. You have got to have the votes to do it, both in the committee and in the House and in the Congress itself.

So while it is desirable, and I certainly support eliminating some of these mandates or most of them, you run right smack into a problem where you have got either sacred cows or you have got matters that you just do not have the votes for. And then you run into the problem of what is good for the goose is good for the gander, and you have got every special interest group out there deciding they are going to try to protect their program with an earmark. So I do not know where we will get.

The complaints are justified. That is the reason that Mr. Gilman and Mr. Hamilton and the Task Force spent over a year rewriting the aid bill in an effort to simplify it and clarify it.

We finally got the administration, I will say with good intent on their part, to do their own rewrite, which was introduced as H.R. 1792. Basically, the way I read H.R. 1792 is, give us the money and we will take care of it, and that is nice but, again, reality is such that we could not quite do that. So we worked together, at least on the generic material, both parties and the administration, and we are reasonably close. I cannot say it is 100 percent. I am sure the administration is not happy on the generic part either.

So now we come down to the subcommittee recommendations where you have an actual difference of opinion, both as to earmarks and as to substance, and we will just do our best with that bill. That is all I can tell you.

If the administration decides after we have given it a fair shot that they cannot support the bill, so be it. But I agree with your conclusion, and that is that if we do not all get together, the matter is dead. The administration can kill it anyplace, anytime, and let the appropriators take over, which is the problem that we have had all these years.

So I hope we can get past that. But I do not know any other way to proceed than the way we are proceeding, which is to do what we are doing and give it the best shot we can, and then see if we cannot reconcile the differences.

RECOMMENDATIONS OF THE SUBCOMMITTEE ON ARMS CONTROL, INTERNATIONAL SECURITY AND SCIENCE

Let me recognize myself now on the Subcommittee on Arms Control recommendations.² As we point out, we used the legislation that was previously adopted, as well as the administration proposals, as a source, and that is where we started. Our own subcommit-

² All subcommittee recommendations appear in the respective volumes of foreign assistance legislation (Parts 2-8) for fiscal years 1991-93.

tee has worked very hard to maintain effective oversight over our security assistance and arms sales programs, and we have done our best to work with the administration and with the minority in order to come up with the recommendations that are now pending before the committee.

These, I am pleased to say, were truly worked out in a bipartisan fashion, and they were unanimously adopted by the subcommittee. The object of these is to meet the following conditions, or to restate that, these are the major objectives that we are trying to achieve:

To enhance the effectiveness of security assistance; to improve fiscal accountability; to improve committee oversight; and to enhance major arms control and international security objectives.

We have not changed the well-established, accepted operational and notification requirements to Congress. In some cases, as in commercial arms sales and coproduction agreements, we have made recommendations to enhance congressional oversight.

But basically, we believe that the recommendations before you should improve the focus, the clarity, the accountability and the effectiveness of our military assistance programs and controls on arms sales.

Chairman FASCELL. Bill, do you want to say anything at this point?

Mr. BROOMFIELD. No, thank you.

RECOMMENDATIONS OF THE SUBCOMMITTEE ON HUMAN RIGHTS AND INTERNATIONAL ORGANIZATIONS

Chairman FASCELL. Okay, let me recognize Mr. Yatron, who is Chairman of the Subcommittee on Human Rights and International Organizations.

Mr. Yatron.

Mr. YATRON. Thank you, Mr. Chairman.

Mr. Chairman, this year the subcommittee developed its recommendations prior to having the opportunity to fully consider the administration's proposed rewrite of the Foreign Assistance Act. Therefore, the subcommittee did not make specific policy recommendations regarding the environment, democracy programs and human rights, all of which normally would fall under the subcommittee's jurisdiction.

Congressman Bereuter, who has done an outstanding job on the subcommittee, and I are working informally with the committee to reconcile the relevant sections of the administration's rewrite with H.R. 2655 pertaining to our subcommittee's jurisdiction.

The subcommittee reported out its budget recommendation within the context of current law. I would like to take the international organizations and programs account first.

As Members are aware, assessed contributions for the United Nations are considered in the State Department authorization bill. This section deals only with the voluntary contributions. Each Member should have a chart of recommendations which include the appropriated figures for the last two fiscal years, the administration's fiscal year 1992 request, and the subcommittee's recommendations for fiscal year 1992 and 1993.

Traditionally, the subcommittee recommends and earmarks specific amounts for each international organization and program. In keeping with the Chairman's desire to hold down earmarks, the subcommittee is proposing five earmarks as opposed to 23.

The administration is requesting a total of \$250,212,000 for fiscal year 1992. This represents a decrease of \$34,518,000 from the fiscal year 1991 appropriated amount of \$284,730,000. The subcommittee recommended increasing the administration's total request to \$300,612,000 for fiscal year 1992, and the same amount for 1993.

The subcommittee took the view that the amounts requested for these programs are unacceptably low and do not reflect the strong bipartisan support these programs have traditionally received in Congress. Every year the administration requests a very low amount for this account with the full knowledge that Congress will recommend a respectable level. And this year, of course, is no different.

The subcommittee's figure represents the most realistic figure for reconciling budget constraints with fulfilling U.S. humanitarian obligations to the world community. The subcommittee proposes earmarking funds for UNDP, UNICEF, UNEP, IFAD and the IFAD special fund for Africa. These earmarks reflect the importance the subcommittee attaches to maintaining U.S. contributions for these organizations at adequate levels.

Mr. Chairman, for some years now we have heard how earmarks make our foreign aid program ineffective, and there is certainly merit to that viewpoint. But Congress does have a responsibility to set foreign policy priorities. Earmarks for U.N. agencies constitute a cash transfer. Congressional earmarks for U.N. programs are designed to secure adequate levels of funding and response to insufficient requests. An excellent illustration is UNICEF. From 1980 to our current fiscal year, the Executive Branch had requested in direct contributions \$395 million, and Congress responded by earmarking a total of \$613 million for UNICEF. Due largely to UNICEF programs, the lives of over 12 million children were saved. It costs approximately \$10 to immunize a child from fatal diseases, and ten cents for an ORT packet to combat dehydration.

Had Congress not secured higher levels of funding through earmarks for this program, the figure of 12 million children's lives saved would have been far less.

In addition, a 1989 GAO study of UNICEF concluded that the organization is run in an effective manner. Mr. Chairman, I wanted to make this point so that we distinguish in the way we legislate between our bilateral and multilateral programs.

For fiscal year 1993, the subcommittee recommends that all programs under this account be straight-lined at the fiscal year 1992 recommended levels, and will include report language to factor in the cost of living adjustment for that year.

The next recommendation conditions U.S. funding for the International Atomic Energy Agency on the State of Israel being able to participate in the activities of that organization. This condition is consistent with U.S. policy and reauthorizes current law.

At the suggestion of Congressman Dymally, the subcommittee recommends that the South-West Africa People's Organization be deleted from Section 307 of the Foreign Assistance Act. This dele-

tion has also been proposed by the State Department in its rewrite draft bill.

The subcommittee also recommended a sense of Congress resolution, once again calling on the U.N. General Assembly to repeal Resolution 3379, which declared Zionism to be a form of racism.

The subcommittee adopted an amendment offered by Congressman Bereuter which directs A.I.D. to focus on basic educational activities as a development priority. The amendment underscores the need to promote education in the world's most impoverished countries. Committee staff has indicated that this amendment may be out of the scope of the subcommittee's jurisdiction, but I am certain that these concerns can be resolved during consideration of the bill at the committee level.

The subcommittee adopted an en bloc amendment from the gentleman from New Jersey, Mr. Smith, regarding child survival activities. The first amendment earmarks \$130 million out of the development assistance account for the child survival fund, which \$30 million should be considered new funds. The Smith amendment also included a \$12 million earmark in 1992 and a \$15 million earmark in 1993 for Vitamin A supplementation for children. The Vitamin A earmark comes from within the administration's existing request and does not represent new money.

Finally, the en bloc amendment included policy language directing A.I.D. to focus greater attention on prenatal and maternal health care.

Mr. Chairman, in recent days the subcommittee has worked with the full committee on the rewrite and has agreed to retain the environmental language of H.R. 2655, the assistance for human rights and democratic initiatives with modifications from H.R. 2655 and the rewrite of the human rights laws.

I have also agreed to drop several reporting requirements in the international organizations section which the administration has requested.

Mr. Chairman, I understand that the administration is interested in broadening the use of foreign aid for promoting political reforms abroad. Many of us have serious reservations about A.I.D. working with political parties. I think the National Endowment for Democracy is a more appropriate vehicle for such programs. I hope that during consideration of the democratic initiatives section the subcommittee will be fully consulted.

Mr. Chairman, that concludes my report. Let me commend my colleagues on the subcommittee, especially Congressman Bereuter, for the outstanding effort that they have put into these recommendations. I also want to thank your staff and the subcommittee's staff on both sides of the aisle for the support in drafting these recommendations. Thank you.

Mr. BROOMFIELD. Mr. Chairman, would the gentleman yield?

Mr. YATRON. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I understand that your subcommittee did reach these conclusions in a bipartisan fashion and that they have the complete support of the ranking Member and I assume the rest of the minority Members. I request permission for Mr. Bereuter to insert his statement on this subject in the record.

Chairman FASCELL. Without objection, his statement will be included.

[The statement of Mr. Bereuter follows.]

PREPARED STATEMENT OF HON. DOUG BEREUTER

Mr. Chairman, throughout the consideration of its sections of the Foreign Assistance Act the Human Rights and International Organizations Subcommittee acted in a bipartisan and constructive fashion. This is a testament to the leadership of the Subcommittee's Chairman. During the process, Chairman Yatron acted in a fair and evenhanded manner, and the Republican members are appreciative of the fact that we are permitted a fair hearing for our special concerns dealing with human rights, democracy, voluntary contributions to international organizations, and child survival.

Mr. Chairman, the Subcommittee also worked with your staff at full committee in the drafting of the policy language dealing with human rights, democracy, and environment. Again, this was done in a constructive and bipartisan manner.

The major Subcommittee action concerned the authorization of \$300.612 million for voluntary contributions to international organizations. As the Chairman noted, this is a substantial increase over the \$250 million request of the Administration, but it is only a modest increase over last year's funding level of \$285 million.

These funds will support some 30 international programs dealing with basic development, health, children, and women, environment, and atomic energy. Of these projects, the Subcommittee considered five to be sufficiently important to merit earmarks. These included UNICEF, the UN Development Program, the UN Environment Program, the International Fund for Agricultural Development, and the IFAD Special Fund for Africa. There was no disagreement that these programs deserved special consideration.

I would also note that the Subcommittee approved policy guidance that I had proposed; language dealing with child survival and basic education. There has been some confusion regarding the intent of this language, so let me take a moment to explain.

As you know, the World Summit for Children, which was held last September in New York, adopted a plan of action to implement the World Declaration. This plan of action set goals of reduction in under-5 infant mortality rates at a level of 70 per 1,000 live births, and completion of primary education by at least 80 percent of school age children by the year 2000. These are goals that the United States enthusiastically endorsed at the World Summit on Children.

The language that I sponsored identifies child survival priority countries as nations that have not achieved the international goal of an under-5 child mortality rate of 70 per 1,000. In each child survival priority country where AID has an active program, some portion of the bilateral assistance program should be directed at activities to improve health conditions and prevent disease. If no such activities are undertaken in a child survival priority country, the

President is asked to report to Congress the reasons why such a program is unnecessary.

The language also identifies basic education priority countries as those who have not met the World Summit's goal of completion of primary education by 80% of school-age children. In each country so designated, AID should devote a portion of its assistance to the improvement of basic education. If no basic education activities are undertaken, the President is asked to explain why such a program is unnecessary.

This policy language was offered to ensure that, as U.S. foreign assistance properly focuses greater attention on concerns such as environment and democracy, we not lose sight of such fundamental concerns as child survival and primary education. This language insists that programs such as immunization, oral rehydration, neonatal care, childhood education, and teacher training not be ignored. Coming to the aid of children is, after all, basic to what we are supposed to be doing in our foreign aid program.

Mr. Chairman, the Republican Members of the Subcommittee on Human rights and International Organizations look forward to working with the Full Committee to craft the best possible Foreign Assistance Act.

Chairman FASCELL. Let me thank Mr. Yatron, the chairman of the subcommittee, for an excellent report, comprehensive and thorough, and also for the cooperation exhibited by the subcommittee with regard to the guidelines that the administration is seeking to promote, and I will support you to the fullest extent that I possibly can.

All right, next, on behalf of the Africa Subcommittee, Mr. Wolpe.

RECOMMENDATIONS OF THE SUBCOMMITTEE ON AFRICA

Mr. WOLPE. Thank you very much, Mr. Chairman.

Chairman Dymally was unable to be here for this reporting session and has asked that I report in his absence.

The subcommittee recognizes that there are long-standing concerns about the provision of U.S. economic and security assistance to African governments whose political or economic policies are not consistent with the stated objectives of U.S. foreign assistance. Specifically, these concerns range from countries engaged in human rights violations, countries that have mismanaged American assistance, countries involved in internal, subnational or civil conflict, to countries disinclined to accept democratic reforms.

The bottom line authorization in our subcommittee recommendation represents a \$200 million increase above that of the administration, for a \$1 billion request for the Development Fund for Africa. Africa faces problems ranging from widespread poverty, to economic underdevelopment in almost every critical economic sector. The subcommittee therefore recommends an authorization of \$1 billion for the development fund for fiscal year 1992, and \$1.2 billion for fiscal year 1993, to bolster, in some instances, established development projects in Sub-Saharan Africa. This represents, as I indicated, an increase of some \$200 million over the administration's fiscal year 1992 request, and it is justified by the acute development needs of the continent.

On the security assistance side, the subcommittee recommends an authorization level of \$17.5 million in FMF assistance for fiscal year 1992. This represents a decrease of \$7 million from the administration's request of \$24.5 million. The subcommittee recommends an authorization of \$8.145 million in IMET assistance, reflecting a \$1 million decrease from the administration's request.

On this issue, it should be noted that the chairman initially contemplated an across-the-board elimination of FMF assistance to African countries for fiscal year 1992. However, after consultation with the administration and several Members, the subcommittee appreciates the value of a gradual approach to the phase-out of such assistance, and the recommendations for fiscal year 1992 reflect this approach. This takes into consideration the legitimate security requirements of certain current recipients while simultaneously providing notice to all countries of two over-arching considerations for future FMF assistance

First, the subcommittee intends to examine critically the security needs of all African countries with a view toward emphasizing decreased FMF assistance for those countries that do not face external security threats.

Second, the subcommittee intends to recommend that nonlethal security assistance be provided only to those countries whose human rights practices are consistent with international standards and conventions, and whose political and economic policies reflect progress toward democratization.

The subcommittee recommends that the Economic Support Fund be authorized to the level of \$28.3 million for sub-Saharan and Africa in fiscal year 1992, which is the administration's request. However, the subcommittee recommends a modest increase of \$2.5 million in ESF for Tunisia.

The subcommittee recommends no change in the administration's request for Public Law 480 assistance and the Peace Corps. I think, Mr. Chairman, I will close on that summary.

Chairman FASCELL. Thank you, Mr. Wolpe.

RECOMMENDATIONS OF THE SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY AND TRADE

The Chairman of the Subcommittee on International Economic Policy and Trade, Mr. Gejdenson.

Mr. GEJDENSON. Thank you, Mr. Chairman

A few of the quick highlights. The section-by-section, which we will include, will go over the so-called trade and aid provisions. The subcommittee terminates the authority of the Private Sector Revolving Fund to furnish assistance, loans or guarantees as of September 1991. We have also made changes in the HIG program. We keep the HIG program at its current level of \$150 million and broaden its mandate to include urban assistance and infrastructure.

We update OPIC's original legislation and eliminate outdated programs therein, and bring it into compliance with the Credit Reform Act.

The legislation enables OPIC to continue operating without appropriated funds, and, therefore, frees up funds in the foreign assistance account, about \$18.3 million, for other purposes.

The legislation would rename the Trade and Development Program the Trade and Development Agency, and proposes \$58 million in fiscal year 1992 and \$70 million in fiscal year 1993. Despite the fact that TDP now generates \$70 of exports for every dollar it spends on feasibility studies, the administration had proposed keeping it at its current authorization level of \$35 million.

We have also included Mr. Miller of Washington's language on China and Tibet. In particular, we have restrictions prohibiting the use of goods made by forced labor.

We also have in our provisions the Enterprise for the Americas Initiatives, with amendments, including Congressman Johnston's, to permit the President to forgive the debt owed by nonprofit private institutions in Latin America to A.I.D.

Additionally, the subcommittee reported out the Feighan bill on microenterprises.

We want to particularly thank the ranking minority Member, Mr. Roth, and the other Members of the committee for not simply being cooperative, but for the tremendous input they provided. Mr. Roth, Mr. Bereuter, Mr. Houghton and others really are an inte-

gral part of the committee and we appreciate all their efforts and the great staff they bring to the subcommittee and, of course, the great staff we have on the majority side.

Chairman FASCELL. Thank you very much, Sam, for that report.

Mr. GEJDENSON. Mr. Chairman. Excuse me?

Chairman FASCELL. I was just thanking you for the report, Sam, and for the excellent bipartisan work that was done on your subcommittee.

RECOMMENDATIONS OF THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST

Our next report will come from Mr. Hamilton, Chairman of the Subcommittee on Europe and the Middle East.

Mr. HAMILTON. Thank you, Mr. Chairman.

We held six hearings and we made the recommendations. The Members have in front of them a table summarizing the dollar amount of the recommendations and a packet of the amendments that were adopted by the subcommittee.

The subcommittee report is almost completed, but not quite finalized, and will be available to Members shortly. We are recommending an authorization of \$7.12 billion for fiscal year 1992. That compares with \$7.02 billion for the same programs last year.

The subcommittee's authorization includes a \$140 million increase in assistance for Turkey and a \$25 million increase in assistance for Portugal. These increases are over last year's figures.

If the Committee on Foreign Affairs considers a two-year authorization, the subcommittee recommends the same regional authorization level for fiscal year 1993 as is recommended for fiscal year 1992, with the exception of the FMF program for Israel, which is increased by \$200 million, to \$2 billion.

The subcommittee is recommending some other changes from the amounts requested by the President. These changes reflect a net increase in funding for the region of \$50 million in authorization levels over the President's request.

The recommended changes in funding levels include:

The Fund for Ireland and Northern Ireland, an authorization of \$20 million—there was no request from the President;

Cyprus, an increase of \$12 million for an authorization of \$15 million;

American schools and hospitals abroad, an increase of \$5 million, for an authorization of \$35 million;

\$5 million to continued disaster assistance program for Soviet Armenia;

\$15 million in technical assistance for the Baltics and for democratically elected governments and nongovernmental organizations within the Soviet Union;

\$5 million to authorize a \$10 million program for Soviet-East European research and training with the other \$5 million being authorized in the State Department authorization bill, under Title 8 of that bill;

In Lebanon, an increase of \$4 million, for a total authorization of \$10 million in ESF and development assistance funding;

West Bank and Gaza, an increase of \$4 million, for a total authorization of \$16 million; and

Middle East Regional Cooperation programs, an increase of \$1.5 million, for an authorization of \$7 million.

The subcommittee makes these changes in allocations by using some funds available from worldwide programs, by trimming the request for Eastern Europe by \$11.5 million to help fund technical assistance programs for the Baltics and democratically elected governments and nongovernmental organizations within the Soviet Union; by trimming the FMF request for Turkey by \$10 million and transferring \$115 million from FMF funding to ESF funding for Turkey, for a total of \$190 million in the ESF funding for Turkey.

The subcommittee recommends these changes in the authorization for Turkey for the following reasons. The fiscal year 1992 FMF request for Turkey is all grant. Turkey's major needs are for economic assistance. Turkey has already received significant supplemental military assistance from the United States and from other sources in fiscal year 1991, during and following the Gulf War. And the assistance levels requested for Turkey for fiscal year 1992 are already \$150 million above the totals of fiscal year 1991. The subcommittee believes the program recommended for fiscal year 1992 will be of substantial benefit to Turkey and will not adversely affect the military balance in the Eastern Mediterranean.

That is a brief summary of the recommendations, Mr. Chairman. I want to thank the subcommittee Members for their extraordinary participation and cooperation in a lengthy set of hearings and markup we had. I also want to express my appreciation to Congressman Gilman who, as usual, extended exceedingly great cooperation and many insights into the development of the subcommittee recommendations.

I am available for questions.

Mr. GILMAN. Mr. Chairman.

Chairman FASCELL. Mr. Hamilton, thank you very much.

Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

I want to commend our Chairman, Mr. Hamilton, for the manner in which he extensively reviewed the proposals for Europe and the Middle East, and his attempt to achieve a consensus amongst the committee. I think what we have here as a final work product is a good consensus which takes into account members' interests and concerns.

I want to thank Mr. Hamilton for his willingness to cooperate on rewriting the report language. We had a few problems and they seem to be working out quite well due to the Chairman's cooperation. We look forward to adopting this measure at an early date.

Thank you, Mr. Chairman.

Chairman FASCELL. Thank you, Mr. Gilman.

Lee, I want to thank you very much for a comprehensive report, and say to my colleagues this is obviously a major part of this legislation, both in terms of substance and in dollars, and it is very gratifying to note the bipartisan cooperation that allowed you to get this important part of the legislation agreed to, and I am grateful to both of you for doing that.

**RECOMMENDATIONS OF THE SUBCOMMITTEE ON WESTERN HEMISPHERE
AFFAIRS**

All right, Mr. Torricelli, Chairman of the Subcommittee on the Western Hemisphere Affairs.

Mr. TORRICELLI. Thank you, Mr. Chairman.

Mr. Chairman, I have our complete report available. I would like to provide you with a summary at this point, if I might.

The Subcommittee on Western Hemisphere held six hearings on issues related to the administration's foreign assistance request for Latin America and the Caribbean. On April 17, the subcommittee met and adopted its recommendations by a voice vote. For the record, it should be noted that Members of the minority expressed objections to several of our recommendations and reserved the right to offer amendments in the full committee and on the Floor.

Indeed, Mr. Chairman, it was my hope that we could reach some bipartisan accord on important sections of the bill. To be truthful, at this point we have not succeeded. The most significant of those differences relate to the United States foreign assistance request for Guatemala. Discussions relating to that aid are ongoing. It is still my hope that we can come to some accord by the time of the full committee markup.

For my part, I have made it clear that I consider all of our recommendations, therefore, to be negotiable, and certainly I continue to be open to ideas from the minority and the administration, particularly, with regard to Guatemala, which I believe substantively is our most important difference.

I will briefly summarize the remaining recommendations, but first let me make two observations.

The first is that, notwithstanding our disagreements and sometimes as I have noted they have been strong, I believe that Members of the subcommittee, on both sides, agree that the administration's request for this region must be fully funded. I hope that the distinguished ranking minority Members will bear me out on this.

We will disagree on the policies, conditions and restrictions that should apply to the assistance. And we will debate those issues as the process goes forward. But when the debate is over and the committee has worked its will, the resources simply must be provided given the magnitude of the need.

Central America's reconstruction and development needs are enormous. Indeed, we have just passed what could well be termed a lost decade of conflict and severe economic decline in the region. Available aid resources are already inadequate. A cut in the administration's request would be disastrous for the region and have profound and perhaps irreversible long-term impacts.

Significant resources are likewise necessary for the Andean drug program, in support of our efforts to get drugs out of our schools and off our streets.

And it is essential to protect the Caribbean, and particularly the new democracy in Haiti, from the cuts that have devastated our assistance program to that region in recent years.

So I hope and trust that the committee will agree to authorize the full request, which represents the absolute minimum necessary for this nation to meet its responsibilities in our hemisphere.

The second observation I want to make is that the subcommittee did not adopt any recommendations with respect to El Salvador. At the time of the subcommittee's markup intensive negotiations were underway in Mexico City. Out of the desire to avoid any action that could inadvertently prejudice the talks, the subcommittee, at the specific request and continuing request of the administration, decided to take no action. The parties hope to conclude negotiations for a cease-fire and to give final ratification to the constitutional amendments that have been agreed to, by May 30.

Therefore, it is my judgment, Mr. Chairman, that the peace process remains on track and is still at a delicate stage, and that action by the Congress is still inadvisable at this time.

It is the subcommittee's intention to meet as soon as possible after May 30 to assess the situation and to recommend appropriate language with respect to El Salvador after consultation with the administration and the Salvadoran government.

We would then ask the committee to consider and report our recommendations as a committee amendment that would be made in order by the Rules Committee. I hope this would meet the committee's approval, Mr. Chairman, and we will continue to consult with you as we go forward.

Now, Mr. Chairman, I will not attempt to summarize all of our recommendations. They are before the Members. Let me just point out the most important provisions.

On Guatemala, the subcommittee recommends prohibiting all military aid and sales unless the President is able to certify to some very tough conditions. We are, however, stating our disappointment to the actions of the Guatemalan government in previous years, mindful of the political changes that have taken place. We will continue to discuss with the administration how we might be able to continue some portions of the assistance if the administration agreed and was supportive of certain language that set difficult but obtainable standards for the coming year.

We recommend earmarking \$25 million of the available ESF for assistance to Central American refugees and displaced persons. We recommend generous aid for Haiti so long as the Haitian government abides by the constitution and respects human rights.

We recommend withholding \$1 million in ESF for the Dominican Republic until that government does something to end the subjection of Haitians to what is virtually slave labor in that country.

We recommend significant economic aid for Guyana if, as we now expect, that country conducts free and fair elections later this year.

We recommend authorizing \$300 million in ESF under the Andean drug program, which is \$50 million over the administration's request. We recommend \$100 million in FMF, which is \$37 million under the administration's request. We recommend a \$200 million cap in military aid from all spigots. These figures are consistent with those reported out by the committee in the last Congress.

In most other respects, we recommend extending the provisions of the International Narcotics Control Act of 1990. We recommend requiring that police training in the Caribbean be done by civilians, under the ICITAP program.

Finally, Mr. Chairman, I would note that the Subcommittee on Western Hemisphere Affairs, like most of our subcommittees, adopted its recommendations before it was known what our markup vehicle would be. We will now have to work with the committee staff to conform our provisions to the rewrite. That will, of course, require that we adopt certain technical amendments.

With that, Mr. Chairman, I thank you. I want to express my appreciation to all Members of the subcommittee, particularly Mr. Lagomarsino, the ranking Member who, while he stated disagreements with several portions of this bill, nevertheless was able, with the cooperation of all Members, to have a product that also reflects some broad agreements.

Chairman FASCELL. Thank you very much, Mr. Torricelli. That is your first report. I must commend you for the work that you have done as the new chairman of that subcommittee. And I particularly appreciate not only your substantive input, but the willingness to have an open mind in trying to resolve those matters on which there is an honest difference of opinion that still exists with the minority party and the administration.

As you note, we are going to have to work together in order to make the technical changes necessary to conform the subcommittees' recommendations to the committee print. Hopefully the staff on both side and the administration can take another look to see if we can reduce the number of differences that exist as well. It may be that there are some points there that on further examination can be closed, and that would be very useful. I really appreciate the spirit in which you offer that.

Mr. TORRICELLI. Mr. Chairman, if you could yield for one moment. Let me apologize to you for the fact that we must at this late date come forward with a piece of legislation which is not complete from our subcommittee, but I think we all recognize, given the extraordinary events in El Salvador, that clearly is in everyone's best interest.

In the case of Guatemala, it is simply a complex situation with some strongly held different views, but one which in my mind is still reconcilable, and we will do our very best to bring as common a position as we can to the committee while working with the minority and the administration.

Chairman FASCELL. Well, I thank you. I think the decision made by the subcommittee on El Salvador is absolutely wise. I concur in that. I see no problem in waiting until the subcommittee has a chance to review the matter and then we can act on it either on the floor, or if necessary, some other way.

Mr. Lagomarsino.

Mr. LAGOMARSINO. Mr. Chairman, I appreciate your words and the response of the subcommittee Chairman. I would hope we could work out some other parts of this legislation. I particularly do agree, though, with the way that the Salvador part has been handled. It was handled very sensitively. It probably has had some positive effect already, and I hope we can continue to act in that direction.

And, Mr. Chairman, in view of your remarks, I will not give my entire statement. I would ask that it be included in the record at this point, but I would like to make a few comments, if I might.

Chairman FASCELL. Without objection.
[The statement of Mr. Lagomarsino follows:]

PREPARED STATEMENT OF HON. ROBERT J. LAGOMARSINO

Mr. Chairman, At the Western Hemisphere Subcommittee's markup, I offered a lengthy account of the problems the minority and the administration have had, not only with this year's proposed authorization bill but also the similar problems we've had over the past eight years.

I won't repeat that entire statement, but I will emphasize the key points that I believe the majority members should keep in mind if they want to pass a foreign aid authorization bill this year.

The only positive contribution among this year's recommendations is where the subcommittee majority refrains from taking a position, in this case, temporarily on El Salvador.

This year's subcommittee proposal will meet the same fate as all the previous eight years' efforts. Until the majority on the subcommittee and the full committee is ready to act realistically and in cooperation with the administration, it is only continuing to ensure that the Foreign Affairs Committee remains irrelevant in the foreign aid authorization process.

Going through the various sections of the subcommittee's recommendations, you find case after case of micromanagement, earmarks and liberal biases that deny or ignore sensible development objectives that would be achieved through policies which rely on greater flexibility and greater reliance on promoting free market principles, private enterprise and private investment.

You need only compare the examples of Guatemala and Haiti in this bill to fully appreciate the double standard applied by the majority. Both sides of the aisle in the Congress are probably willing to give the benefit of the doubt to the newly elected democratic government in Haiti, in spite of some serious human rights concerns that have not yet been adequately addressed. The majority on this subcommittee, however, is not willing to offer the same benefit of the doubt to the newly elected democratic government in Guatemala, in spite of the new president's stated commitment to secure a sharp improvement in protection of human rights and in seeking a negotiated settlement for the conflict in that nation.

Other problems with the various recommendations include the heavy reliance on the Sanford Commission's recommendations as the guiding foreign aid principles while ignoring promoting private enterprise and private investment policies. At a time of shrinking foreign aid budgets, the subcommittee's majority is recommending additional economic assistance and offering large earmarks to pet countries but without making any realistic effort to determine where these large increases are going to come from.

The subcommittee relies heavily on participation in and support for U.N.D.P. programs that have not always been considered effective or meritorious. Such recommendations are unlikely to elicit Republican or administration support. The subcommittee majority's strong bias against anything military comes through loud and clear in the variety of conditions and restrictions placed on military assistance and military sales.

Micromanagement of administration aid programs abound in these recommendations: (1) It is particularly distressing to note the subcommittee's willingness to focus on perceived violations by the members of the Nicaraguan resistance while not even referring to documented violations by Sandinista officials; (2) policing the Dominican Republic's policies toward Haitian sugar can harvesters; (3) singling out Peru's Sinchi police; (4) gratuitous conditions on the Inter-American Foundation's board and principal offices, and (5) earmarks for Guyana, among others.

The prohibition on any type of law enforcement training for the Caribbean except that provided by ICITAP [International Criminal Investigative Training Assistance Program of the Department of Justice] prevents cooperation on vital narcotics control and training programs. Other problems, for example, include those which have become apparent in cutting off all aid in the case of a military coup. In the conditions on aid to Guyana, the recommendations provide an exception by allowing assistance for the holding of free and fair elections. Yet the subcommittee's general suspension of assistance if a military coup occurs allows no exception for any country in the hemisphere. We're already seeing that assistance for the democratic process in Surinam is not allowed because of this type of prohibition.

With all the problems in this proposal for the subcommittee's recommendations, I can only reiterate the fruitless exercise which the subcommittee is pursuing. If the Foreign Affairs Committee is ever going to reestablish itself as a player in the for-

eign aid process, it is going to have to start offering reasonable and realistic proposals which demonstrate an ability to work with the administration rather than an approach that appears to be confrontational.

My recommendation to other Republicans is that they not support this measure until changes have been made that have been worked out with the administration and have achieved the administration's support.

Thank you, Mr. Chairman.

Mr. LAGOMARSINO. At the Western Hemisphere Subcommittee's markup, Mr. Chairman, I offered a lengthy account of the problems the minority and the administration have had not only with this year's proposed authorization bill but also the similar problems we have had over the past eight years. I will not repeat the entire statement I made at the subcommittee level, but I will emphasize some key points.

One positive, in fact, the major positive contribution is the one relating to El Salvador that we have already discussed. This year's subcommittee proposal, though, will meet the same fate as all the previous eight years' efforts until the majority on the subcommittee and the full committee is ready to act realistically and in cooperation with the administration. And if we do not, it is only continuing to ensure that the Foreign Affairs Committee remains irrelevant to the foreign aid authorization process, and I do not think any of us want to see that happen.

In going through the various sections of the subcommittee's recommendations, you will find case after case of micro-management, of earmarks and biases that deny or ignore sensible developmental objectives that could be achieved through policies which rely on greater flexibility and greater reliance on promoting free market principles, private enterprise and private investment.

You need only compare the examples of Guatemala and Haiti to fully appreciate that what I say is a double standard applied by the majority here. But you have mentioned that, Mr. Chairman. Hopefully, that can be worked out. I might say that I think that, in the case of Guatemala, we should be willing to give the new government more of a benefit of the doubt than the draft bill does at this point.

Other problems with the various recommendations include the heavy reliance on the Sanford Commission's recommendations as the guiding foreign aid principles while ignoring promoting private enterprise and private investment policies.

Mr. Chairman, I also have some comments in here about law enforcement. We can discuss that further. But my recommendation to other Republicans is that they not support this measure until these changes have been worked out, and I am hopeful that we can do exactly that, Mr. Chairman, and thank you.

Chairman FASCELL. Well, we will certainly have the opportunity, Bob, and I hope we will take the intervening time to do just that. At some point, though, we are going to have to let the committee work its will here. So we are tentatively scheduled to start markup on Thursday. I have no illusions about getting finished on Thursday, but we will start at that time and move as quickly as possible. And I thank you very much for your comments.

**RECOMMENDATIONS OF THE SUBCOMMITTEE ON ASIAN AND PACIFIC
AFFAIRS**

Without objection, the statement and report of the Subcommittee on Asian and Pacific Affairs will be included in the record at this point.

[The Subcommittee on Asian and Pacific Affairs recommendations follow:]

**RECOMMENDATIONS
OF THE
SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS**

1. The Subcommittee must make its recommendations for FY 1992 at a time when no "Pressler certification" concerning Pakistan's nuclear program is in effect, and when there exists no expectation that one will be forthcoming. Moreover, at a time of budget stringency and pressing needs around the world, the Subcommittee wishes to give the Foreign Affairs Committee the broadest possible flexibility in reallocating the funds requested for Pakistan. On the assumption that a Pressler certification will not be made by the beginning of FY 1992, the Subcommittee therefore recommends that the aggregate level of foreign assistance for countries and programs in the Asian and Pacific region for fiscal year 1992 be \$1,101,480,000. This represents a reduction of the Administration request of \$1,339,951,000 by \$238,471,000 or 17.8 percent. In most specific cases, the Subcommittee has recommended the assistance levels requested by the Administration. The only changes are:

—a prohibition on making available funds for assistance to Pakistan or for the sale or transfer of defense articles or defense services to Pakistan unless Pressler certification is in effect on October 1, 1991;

—shifting the \$350,000 in military assistance to Fiji to economic assistance;

—increasing the South Pacific Regional Program by \$10 million over the Administration's request.

—increasing assistance to Nepal by \$10 million over the Administration's request.

2. Specifically, the Subcommittee recommends for FY 1992 \$316,112,000 in development assistance, \$173,150,000 in economic support assistance, \$200,500,000 in foreign military financing (grant), \$10,895,000 in international military education and training (IMET), \$1,000,000 (to be drawn from either the development or economic support accounts) for displaced Burmese in Thailand and on the Burma side of the Thai-Burma border, and \$160,000,000 for the Special Assistance Initiative (Philippines). The Subcommittee approves \$106,600,000 for Public Law 480, Titles I and III, and \$133,223,000 for Public Law 480, Title II.

3. As in past years, the country for which the Subcommittee has recommended the largest amount of money is the Philippines. In view of the United States's various interests

regarding the Philippines—consolidating democracy, promoting economic development, and fostering continued security cooperation—the Subcommittee supports the various elements of the Administration's aid package:

- \$402.9 million in bases-related aid;
- \$160 million for the Multilateral Assistance Initiative (MAI);
- and \$2.8 million for IMET.

The bases-related assistance is, of course, recommended on the assumption that a new long-term agreement providing US access to the bases. That recommendation would have to be reviewed in the unfortunate event that an agreement was not forthcoming.

The Subcommittee continues to support strongly the Multilateral Assistance Initiative for the Philippines as an effective means for promoting economic development in the Philippines, by mobilizing substantial resources on a multilateral basis and facilitating needed policy reforms. In order to provide the statutory basis for the program and to ensure proper oversight, the Subcommittee is recommending again the legislative provision passed in 1989 by the House but never enacted. This provision, which takes the form of an amendment to the Foreign Assistance Act of 1961, includes a total authorization of \$1 billion and two required reports:

a. a report that lists the objectives and accomplishments of the MAI during its first two years of operation, as well as a list of objectives to be achieved during FY 1992, which will be the third year of the program.

b. an annual report to accompany the Administration's requests for further funding of the program past FY 1992, once again spelling out the objectives for which assistance is requested.

4. Concerning Pakistan, the Subcommittee has taken note of the President's failure to make the required Pressler certification regarding that country's nuclear program and, with regret, believes that it is increasingly unlikely that he will be able to do so in the future. In view of the pressing needs for foreign assistance in other regions and countries, the Subcommittee recommends that unless a Pressler certification is in effect by the end of FY 1991, no foreign aid should be made available for Pakistan. However, if after September 30, 1991 Pakistan receives a Pressler amendment certification, the Subcommittee

will be prepared to authorize aid to that country either through normal reprogramming arrangements or pursuant to a supplemental request from the Administration.

In addition, the Subcommittee recommends two amendments to the Foreign Assistance Act of 1961: first, a requirement that the United States continue to take appropriate steps to ensure that defense articles provided by the United States to Pakistan are used solely for defensive purposes; and second, an extension of the Symington waiver until September 30, 1993.

5. Regarding Cambodia, the Subcommittee recommends several legislative steps designed to promote an international settlement in that country. It first makes findings and expresses the sense of Congress regarding the Cambodian conflict and US policy.

Second, it recommends authorization of four categories of assistance:

-up to \$20 million in humanitarian and development assistance for Cambodians near the Thai-Cambodian border and within Cambodia, including the non-Communist Cambodian resistance, notwithstanding any other provision of law.

-no less than \$5 million to provide humanitarian assistance for children and victims of war in Cambodia, notwithstanding any other provision of law.

-such sums as may be necessary from funds made available for development assistance and economic support assistance for the training of non-Communist Cambodians who are outside of Cambodia, including Cambodians in the United States, in appropriate skills that would be used by them upon returning to Cambodia in the context of an internationally acceptable political settlement, notwithstanding any other provision of law.

-such sums as may be necessary for contributions and programs by the United States as part of an international program of relief, including resettlement and rehabilitation, and reconstruction in Cambodia in the context of an internationally acceptable political settlement in that country, notwithstanding any other provision of law.

Prior to the conclusion of an internationally accepted agreement of the Cambodian conflict, any assistance provided to Cambodians in areas controlled by the Phnom Penh regime shall be provided through international agencies and United States private and voluntary

organizations.

Third, the Subcommittee recommends restatement of a statutory prohibition on any US assistance that would enhance the capacity of the Khmer Rouge to conduct military or paramilitary operations.

Fourth, the Subcommittee recommends creation of a mechanism by which assistance to a Cambodian organization is to be terminated if the President determines that any military unit of such an organization cooperates strategically or tactically with the Khmer Rouge in its military operations.

6. Concerning Afghanistan, the Subcommittee recommends an authorization for development assistance and economic support assistance for the provision of food, medicine, or other humanitarian assistance to the Afghan people notwithstanding any other relevant provision of law.

The Subcommittee also recommends a statement of findings and of the sense of Congress concerning (a) the clearing of mines in Afghanistan, and (b) the US-Soviet dialogue on a political settlement for that country.

7. Concerning Bangladesh, the Subcommittee recommends a statement of the Congress regarding the transition to democracy in that country and urging the President to take action to provide PL-480 debt relief to the government of Bangladesh.

8. The Subcommittee recommends a provision which requires the President, in determining whether to provide assistance or make military sales to Burma, to take into account whether the Government of Burma has ceded legal authority to a civilian government as mandated by the elections of May 1990, released persons arrested for the peaceful expression of their political views, and ceased harassment of persons and political parties attempting to exercise freedoms of expression, association, and assembly. The Subcommittee also recommends a Congressional statement endorsing economic sanctions against Burma.

9. For Fiji, the Subcommittee recommends a prohibition on security assistance unless the President certifies to the Congress that Fiji has held elections in which there has been broad participation by all communities in Fiji.

10. Concerning Malaysia, the Subcommittee recommends a statement of the Congress regarding the policy and practice of the Government of Malaysia of denying first asylum to Indochinese asylum seekers.

11. Concerning Nepal, the Subcommittee recommends that the President allocate the amount of funds he requested for that country for FY 1992, and that, in addition, he make available not less than \$10 million to Nepal if a democratically elected government assumes office pursuant to free and fair elections. The Subcommittee recommends that the additional \$10 million authorized for Nepal be drawn either from the amount requested for Pakistan—in the event that a Pressler certification is not made—or from other economic assistance funds allocated for Asia.

12. Regarding the South Pacific Regional Program, the Subcommittee recommends that the President allocate the amount of funds he requested for that program, and, in addition, that he make available not less than \$10 million more in development assistance. The Subcommittee recommends that the President make available for FY 1993 the same amount of foreign assistance that is provided in FY 1992, and that, in both years he provides not less than \$2 million for scholarships for study at postsecondary institutions of education in the United States. The Subcommittee recommends that the additional \$10 million authorized for the program be drawn either from the amount requested for Pakistan—in the event that a Pressler certification is not made—or from other economic assistance funds allocated for Asia.

13. Concerning Sri Lanka, the Subcommittee recommends a statement of the Congress regarding the civil conflict in that country, and a requirement that the President take into account a number of factors regarding the human rights situation in Sri Lanka in determining whether to provide assistance and whether to make any sales of defense articles or defense services.

14. The Subcommittee recommends that the Administrator of the Agency for International Development shall consolidate into one bureau at the Agency all programs administered by the Agency relating to foreign assistance to countries in Asia, whether East Asia or South Asia.

15. The Subcommittee recommends a set of findings and a statement of policy on cooperation on the issue of Vietnam War-era prisoners of war or those missing in action, and that the President be authorized to use up to \$2,000,000 annually in FY 1992 and FY 1993 for

support of humanitarian projects in Laos directly associated with joint US-Laotian cooperative efforts to resolve questions concerning Vietnam War-era POWs and MIAs.

16. The Subcommittee recommends a sense-of-Congress provision that the President should encourage the OECD to consider admitting South Korea, Taiwan, Hong Kong, and Singapore as members of that organization.

17. The Subcommittee recommends that the President be authorized to provide not less than \$1 million for humanitarian assistance for displaced Burmese nationals in Thailand and the Burma side of the Thai-Burma border, and that funds for this purpose be drawn either from the amount requested for Pakistan—in the event that a Pressler certification is not made—or from other economic assistance funds allocated for Asia.

18. The Subcommittee recommends that the President shall not make sales to the People's Republic of China under the Arms Export Control Act, or issue licenses for exports to the PRC under section 38 of that Act if he makes certain determinations regarding the PRC's arms-transfer policies and practices.

Chairman FASCELL. The committee stands adjourned, subject to the call of the Chair.

[Whereupon, at 11:31 a.m., the committee adjourned, subject to the call of the Chair.]

**AUTHORIZATION REQUEST FOR FOREIGN
ASSISTANCE FOR FISCAL YEARS 1992-93**

THURSDAY, MAY 9, 1991

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.**

The committee met in open markup session at 10:50 a.m. in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. The committee will come to order. We are going to have to do something about everybody standing up back there, folks. I hate to do this to you but we have a long way to go and we have a lot to do and I am going to ask for everyone's cooperation. I know it is essential that there be a lot of conferences between staff and Members. Please try to keep it down to a reasonable level.

The reason I insist on that is obvious. It is very difficult to conduct a meeting when I can't hear what's going on. I'd like to be able to move along at a reasonable pace. Therefore, I ask for your cooperation as we consider the foreign assistance legislation for fiscal year 1992.

What this document before you does is to meld the administration request as contained in H.R. 1792 with H.R. 2655, the foreign aid rewrite passed by the House two years ago, as well as the subcommittee recommendations which have come through in the usual course of action as we normally consider the foreign aid bill.

It is the Chair's intention to read the bill by title, starting with Title I.

With those words of wisdom, I will ask my distinguished colleague from Michigan for his remarks.

Mr. BROOMFIELD. Thank you, Mr. Chairman. Frankly, I am very, very concerned and disturbed at the direction we're going on this bill.

I say that with all sincerity. It really seems to me it's business as usual here. It really makes me wonder whether we are really serious about the legislative process.

I hope that my colleagues, and I wish we had more here, had a chance to read the article about the foreign aid bill on the federal page of today's Washington Post. It should come as no surprise to anyone that our legislation has little chance of moving beyond the mark-up.

Without substantial revisions, this legislation will be dead on arrival. An administration official described this bill as even worse

than what we have now. They will no doubt oppose it. I, for one, am really not interested in just spinning my wheels.

As the ranking Republican Member, I will recommend to my colleagues that they also vote against the bill in its present form.

Our committee has lost the power, Mr. Chairman, to set the policies and budget authorities of major programs under our jurisdiction. I think it is time now for us to restore some credibility to this committee, our Foreign Affairs Committee. On the contrary, it is my view that without significant repairs, neither the Senate nor the administration will work on this legislation beyond this markup.

At the full committee meeting on Tuesday, I brought to the attention of my colleagues a laundry list of subcommittee recommendations included in this bill which collectively earmark billions of dollars, mandate numerous reports from the administration, and micro-manage U.S. foreign policy in practically every corner of the world.

As I said then, we must work in a bipartisan manner—and I know that's your intention, Mr. Chairman—and in consultation with the administration. In my opinion, the subcommittees have not yet done so, and I say this with regret.

As we all know, if this bill is not changed, the Appropriations Committee will once again decide the composition of our foreign aid program. Both of us are disgusted, Mr. Chairman, by the fact that in the recent past that's how it's worked.

Simply put, we are becoming irrelevant to the foreign aid process.

Mr. Chairman, I say this in all sincerity. Republicans are willing to join with the Democrats on this committee to work together with the administration over the next few weeks to get an agreement that would keep this bill alive.

I, for one, think it's extremely important that we do this, if only for the sake of our committee's responsibilities.

Chairman FASCELL. I thank my distinguished colleague and ranking Member. Somewhere there has to be a line of reason—I don't know where it is—between opposite theories with regard to any legislation, and I consider that the democratic process.

Now, we have worked very hard on the generic portion of this bill. The subcommittees have worked very hard to accommodate substantial differences of opinion, not only with committee Republicans, but with the administration as well.

This is and always has been a three way discussion in trying to reach agreement on the legislation. I see no difference today in that effort than there has been in the past.

The argument about micro-management is a legitimate argument from the administration's standpoint, but it is also a legitimate argument from a congressional standpoint. How we reach an agreement between the administration's desires and their needs and what Congress sees as necessary is the kind of function that we are trying to perform here.

Now, it is true that the administration has the upper hand because they can ignore the authorizers and go to the appropriators, bypassing the authorizing committee if we don't do exactly what the administration wants.

The administration also has the authority, if they choose, to veto appropriations bill, so they have a strong hand in this. We recognize that. This is part of the democratic process, but at the same time, as my colleague knows, we face obvious problems in this committee. It's not because of lack of trying. We just don't have the votes to do what it is that the administration wants done. We just don't have the votes on some issues, although honest efforts have been made.

In the ideal world, I suppose, there wouldn't be any differences of opinion, but in a democratic process, you've got five people and ten opinions.

So I don't know of any way to do this except to do what we were sent here to do. And that is to do the best we can, in good faith, try to work with the administration, and try to work with our colleagues on the subcommittees who work very hard, and where admittedly, there are strong differences of opinion.

We will then assess the package and each member will decide whether or not to vote for it. I can understand the frustration of not just Mr. Broomfield, but all of us who work very hard to resolve matters that come from all sides when we take a bill to the Floor.

I think we resolved over 200 amendments last time. It's a major undertaking. Everybody's a foreign policy expert, but nevertheless we managed a bill that got more votes when we got through because we worked together in a sincere effort to pass a bill.

Now, it's not our fault that something else happens when it gets over to the other body. You know, we've been trying mightily to deal with that problem. We have no impact on that problem whatever. What I've urged the other body to do, the leadership over there, is to get some bill—I don't care what kind of bill, a one-line statement of authorization would be fine with me if we could just get to conference.

But they are not sure they can pass a bill, so I don't know what's going to happen. But the fundamental question is, should that keep us on this committee from meeting our responsibility. My answer is, it should not. The committee, both sides, has been strongly in favor of going ahead and doing our job, as difficult as it may be, taking into consideration all of the varying elements that are thrown at us. And let's face it, we are basically political judges on this committee. We have to balance out a variety of political interests, both domestic and international, in achieving a bill.

So, in that spirit, let's go ahead. Let's mark up a bill. It may be at the end it doesn't get anywhere, but doggone it, we will have done our job. We will have met our responsibility to the best of our ability.

A lot of energy has been poured into this bill, a lot of energy on both sides, and I want to compliment the staffs of the minority and the majority for the hard work they've done. They've made an exceptional effort to put all the foreign aid legislation in one place, remove the underbrush in a lot of places, clarify it, and meet administration objections while still retaining the positions that some of us on both sides strongly feel have to be retained.

So in that spirit, I would say to my colleague let's see how far we can go. Sure, we're going to have stumbling blocks, but let's not throw in the towel.

Mr. Dymally.

Mr. DYMALLY. Thank you very much, Mr. Chairman. Mr. Chairman, I simply want to underscore what you've said and to inform my friend from Michigan that yesterday I met for two hours with AID and we had about 14 earmarks. We dropped the majority of them.

Mr. Weiss developed a very unique approach to one of his earmarks and the administration has agreed it is a target instead of an earmark. We've been working very diligently to avoid earmarking and to live up to the spirit of the agreement made a couple of years ago.

There is a lot of effort being made to compromise and to mediate or answer the objections of the administration.

Chairman FASCELL. Well, I want to thank you for that, and we've had the same expression of opinion from other chairmen of subcommittees who are still working with the administration and the minority to achieve a consensus if it's possible. And we've got a long way to go so we've got a little time, fortunately, as we review these matters, to seek possible compromises. You have before you a table showing the appropriated levels for fiscal year 1991, the executive branch request as estimated by CBO for fiscal year 1992, and the committee recommendations for fiscal 1992.

[The table follows:]

(By fiscal year, in thousands of dollars)

	1991 actual	1992 request (reestimate)	1992 committee recommendation	Plus or minus 1992 request	1993 committee recommendation
Development assistance (151):					
International organizations.....	284,730	250,212	* 300,612	50,400	* 318,712
Bilateral DA.....	1,259,083	1,277,000	* 1,077,000	(200,000)	* 1,027,000
Population.....			* 300,000		* 350,000
Fund for Africa.....	788,000	800,000	* 1,000,000	200,000	* 1,200,000
Special assistance initiative.....	529,675	560,000	548,500	(11,500)	548,500
Enterprise for the American initiative.....	0	285,000	242,356	(42,644)	224,644
ASHA.....	29,500	30,000	35,000	5,000	35,000
Disaster assistance.....	40,000	40,000	* 45,000	5,000	* 45,000
AID operating expenses.....	456,200	483,300	483,300		483,300
Supplemental operating expenses.....	6,000	0	0		37,379
AID IG.....	33,884	37,739	37,739		37,379
Housing guaranties.....	48,000	9,500	10,500	1,000	8,500
TDP.....	35,000	35,000	55,700	20,700	70,000
OPIC.....	0	10,649	12,300	1,651	6,000
Private Security Loan Program.....	0	1,367	1,500	133	1,500
Peace Corps.....	186,000	200,000	200,000		200,000
IAF.....	25,000	28,794	28,800	6	31,000
ADF.....	13,000	14,950	14,950		14,950
Narcotics control.....	150,000	171,500	171,500		171,500
Soviet-East European research and training....	5,000	0	5,000	5,000	5,000
Presidential contingencies.....	0	20,000	0	(20,000)	0
Subtotal.....	3,889,072	4,255,011	* 4,569,757	314,746	* 4,777,985
Security assistance (152):					
FMF.....	4,663,421	4,640,000	* 4,411,444	(228,556)	* 4,840,000
FMF buydown.....	(270,000)	270,000	0	(270,000)	0
ESF.....	3,130,800	3,228,000	* 3,322,500	94,500	* 3,322,500
Emergency Supply/Israel.....	650,000	0	0		0
Emergency Supply/Turkey.....	200,000	0	0		0
NAP.....	0	10,000	0	(10,000)	0
Peacekeeping.....	32,800	28,000	28,000		28,000
IMET.....	47,196	52,500	52,500		52,500
Anti-terrorism.....	12,026	15,000	15,000		15,000
Subtotal.....	8,736,243	8,243,500	* 7,829,444	(414,056)	* 8,258,000
Total (151 & 152).....	12,625,315	12,498,511	* 12,399,201	(99,310)	* 13,035,985

* Earmarks International Organizations as follows: FY 1992: \$125 million for UNDP, \$83 million for UNICEF, \$18 million for UNEP, \$18.362 million for IFAD, \$4 million for Special Program for Africa of IFAD, \$500,000 for UNU; FY 1993: \$135 million for UNDP, \$83 million for UNICEF, \$25 million for UNEP, \$18.362 million for IFAD, \$4 million for Special Program for Africa of IFAD, \$1 million for UNU, \$600,000 for GAS information network).

* Earmarks Development aid as follows: for FY 1992 and 1993, Health, Child Survival Fund, AIDS: \$327 million (subearmarked respectively at \$135 million, \$130 million, \$62 million); Vitamin A: \$12 million for FY 1992, \$15 million in FY 93; for both FY 1992 and 1993, \$5 million for US/Israel/LDC cooperation, \$6 million for Lebanon (for other DA earmarks, see below).

* Earmarks Population as follows: for FY 1992 and 1993, \$20 million for UNFPA.

* For each of fiscal years 1992 and 1993, transfers \$6 million from DFA to IO's only for IFAD, and transfers \$400,000 from DFA to IO's and earmarks for the United Nations Educational and Training Program for Southern Africa.

* Disaster aid: \$5 million provided for Soviet Armenia.

* Funds earmarked from combined sources, for both FY 1992 and 1993: of funds available to promote human rights funds: \$1.5 million (permanently) for S. African PVDs, \$10 million for human rights/democracy in Middle East; from all sources: \$5 million for Cambodian children; from DA/DFA: \$275.4 million for PVDs; from DA/ESA: \$2.8 million for C. American journalism, \$20 million for S. Pacific Regional, \$1 million for Burmese refugees, \$25 million for Nepal; from DA/DFA/ESA: \$40 million for disadvantaged S. Africans; from DA/DFA/ESA/Local currencies: \$85 million for micro-enterprises; from DA/ESA/Local currencies: \$3 million for Guyana.

* FMF: \$1.8 billion for Israel (2.0 billion for FY 93), \$1.3 billion for Egypt, \$350 million for Greece, \$500 million for Turkey,

* ESA: \$1.2 billion for Israel, \$815 million for Egypt, \$16 million for West Bank/Gaza, \$7 million for regional cooperative IIE projects, \$4 million for Lebanon, \$15 million for Cyprus, \$20 million for Ireland, \$15 million for Baltic States, \$25 million for Central American refugees, \$28.3 million for sub-Saharan Africa.

* Includes decrease to offset increased funding for refugee and migration assistance contained in H.R. 1615, the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993.

Now, you will note that the committee recommendations, which reflect most of the actions taken by the subcommittees, is approximately \$245 million over the administration request, as adjusted by CBO and contained in the House passed budget resolution.

Most of this increase is due to the fact that there were conflicting subcommittee recommendations on military aid to some countries, and the committee print at this point does not reflect some of the military aid offsets that were contemplated by the subcommittees who increased economic aid. We will reconcile those differences at an appropriate point in this process.

Now, you will recall I mentioned that all increases in the President's request, as adjusted, would have to be offset by cuts elsewhere in this bill. Therefore, we will consider a reconciliation amendment on those increases contained in the bill before us at the end of consideration of the bill. Any further increases Members may wish to propose during markup should contain corresponding offsetting reductions from other programs in the bill. Therefore, it will be in order for an amendment to the title under consideration to be offset by a cut from any other title.

We have to be within the numbers assigned to us or we can't take the bill to the Floor. Now, there are obviously technical glitches that will have to be resolved, and our legislative counsel will keep track of them and we will correct those at an appropriate point.

It would be my intention, as I said earlier, to start at the beginning and go right through the bill. We will go as far as we can today. There's a Rules Committee meeting at 11:00 o'clock on the State Department bill which Mr. Berman is going to attend, and who on the minority side?

Mr. BROOMFIELD. Ms. Snowe.

Chairman FASCELL. We will go until 12:30, if that's all right with you.

Mr. BROOMFIELD. Yes.

Chairman FASCELL. And then we will come back again at 1:30.

Mr. BROOMFIELD. Fine.

Chairman FASCELL. We will start again at 1:30 and then we will go until we have the Secretary at 3:30, is it?

Mr. BROOMFIELD. 3:00 o'clock.

Chairman FASCELL. 3:00 o'clock, okay. All right. The chief of staff will report the bill.

REPORTING OF THE BILL

Mr. BRADY. A bill to amend the Foreign Assistance Act of 1961, to rewrite the authorities of that Act.

Chairman FASCELL. Without objection, further reading of the bill will be dispensed with, printed in the record in full, and open for amendment.

BROOMFIELD SUBSTITUTE TO THE COMMITTEE PRINT

Mr. BROOMFIELD. Mr. Chairman.

Chairman FASCELL. Mr. Broomfield.

Mr. BROOMFIELD. I would like to, at this point, offer a substitute. The substitute that I would like to offer consists of the—

Chairman FASCELL. Let's get it up here.

Mr. BROOMFIELD. By way of explanation, all I need to do is show you the size of it.

Chairman FASCELL. The chief of staff will report the substitute.

Mr. BRADY. Amendment in the nature of a substitute.

Chairman FASCELL. Without objection, further reading of the substitute will be dispensed with, printed in the record and open for amendment.

[The amendment in the form of a substitute of Mr. Broomfield follows:]

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE COMMITTEE PRINT DATED 05/08/81 OFFERED BY WILLIAM S. BROOMFIELD

Strike out everything after the enacting clause and insert in lieu thereof the following:

Title I of the bill (Economic Assistance);

title II of the bill (Military Assistance, Related Assistance, and Military Sales Programs);

Title III of the bill (Trade and Investment Agency and Overseas Private Investment Corporation);

Title IV of the bill (International Narcotics Control);

Title VI of the bill (Special Authorities, Restrictions on Assistance, and Reports); and

Title XI of the bill (Other Provisions).

Chairman FASCELL. The gentleman is recognized for five minutes in support of his amendment in the nature of a substitute.

Mr. BROOMFIELD. The substitute that I'm offering consists of the following titles of the committee bill.

Title I, which contains the basic policy objectives of the United States foreign assistance and the authorities to provide development assistance and assistance under the economic support fund;

Title II, which concerns military assistance;

Title III, which authorizes the Trade Development Agency and the Overseas Private Investment Corporation;

Title IV, which concerns international narcotics control;

Title VI, which contains special transfer and waiver authorities, authorizes a democracy contingency fund, sets forth restrictions on assistance and requires various reports and notifications to Congress, and

Title XI, which authorizes appropriations for the Peace Corps.

Now, these titles, as I indicated earlier, comprise the basic foreign aid reauthorization. They reflect a bipartisan consensus which embodies the objectives of the Hamilton-Gilman task force report.

The substitute does not—and I want to emphasize does not—include the subcommittee recommendations. Let me make it very, very clear, however, that I am not suggesting that these provisions be jettisoned. Instead, I am simply recommending that we proceed to consider them as a separate piece of legislation. I don't think that conflicts with what you're talking about, Mr. Chairman.

The first piece of legislation would consist of the amendment which I am offering today, which is a substitute based on the basic core elements of the committee print.

The second bill would consist of the titles of the committee print, based on the subcommittee recommendations, which are not contained in the substitute.

Both bills could be considered separately on their merits both in committee and also on the Floor.

This way of proceeding would be novel since, in the 30 some years that I've been on this committee, I have never heard of doing anything like this. I think it's an idea that merits consideration, however. We could increase the chances that foreign aid reform will pass the Congress this year while preserving the recommendations of the subcommittees for later action.

Now, I hope all Members of the committee, Republicans and Democrats alike, will give serious consideration to this proposal. The thrust of it, Mr. Chairman, is that I want to see this committee get a foreign aid bill passed by Congress and signed by the President. Given where we are now, this is the only approach I can see that would be likely to get us there.

Chairman FASCELL. Well, let me speak, Mr. Broomfield, in opposition to the substitute, and very briefly explain why.

I understand exactly what you're doing and why you're doing it, and I appreciate that because the six titles included in the substitute motion are ones on which we have a virtual consensus between the committee and the administration. That means we've only got four more titles to work our way through and they are the titles, of course, that came out of the regional subcommittees.

So, just having a vote on splitting the bill up really doesn't do the job. It might even make matters worse by having to go to the Floor with two bills instead of one.

As we work our way through this bill, we are going to proceed through Title VI to start with. We don't get to the subcommittee recommendations until Title VII, and then you have VIII, IX, X, and then all that remains, which is included in the substitute, is XI. So we only have four titles to work our way through in order to achieve the objective that the gentleman from Michigan wants.

Furthermore, at any point in this process, if there is a real need to split this bill up and that becomes the majority decision, that can be done.

The substitute can be offered at the end of consideration of the bill, for example, if the product is not satisfactory at that point.

There are a variety of ways, in other words, to protect the position of the minority without having to take this vote right now up front. Nonetheless in order to make his point, I am sure the gentleman will ask for a vote.

I would ask my colleagues, however, to vote against the substitute simply on the basis of the fact that as we work our way through this bill, the minority is protected at every step of the way anyway. They haven't lost anything, and the ranking Member has made his point.

Mr. LAGOMARSINO. Mr. Chairman.

Chairman FASCELL. Is there further discussion?

Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman. Mr. Chairman, in producing the core of the committee bill, the substitute here, we took the best parts of H.R. 1792 which is of course the bill the administration submitted, and merged them with H.R. 2655 which of course was the foreign aid rewrite which died after passing the House last Congress.

I understand the administration hasn't yet formally commented on this product. They saw it for the first time on Monday, but the administration has certainly reflected on the work of the subcommittees.

According to what I've heard, and from more than one administration source, the administration does not oppose everything in the subcommittee recommendations, but—and some of that language they could live with—in particular, I would direct your attention to the extensive problems in the Western Hemisphere and Africa sections, although I understand some of the African problems have been taken care of now, and I would hope that maybe that could happen with the Western Hemisphere as well.

Based on discussions with staff and correspondence from the administration, I would estimate that between 50 and 60 amendments would have to be offered in order to fix this bill, less whatever amount we have done in the Africa thing.

If we move ahead without these improvements, the process, as Mr. Broomfield pointed out, is doomed to failure. So as a starting point, I think it makes a lot of sense to support the substitute amendment, to split the foreign assistance bill into two separate pieces of legislation, and let's at least preserve that which we can almost all agree on and which the administration will probably support, and which maybe we have a chance to get through the Senate.

So I urge support of the substitute.

Chairman FASCELL. Is there further discussion?

Mr. ROTH. Mr. Chairman.

Chairman FASCELL. Yes, Mr. Roth.

Mr. ROTH. Thank you, Mr. Chairman. Mr. Chairman, I do hope that we give Mr. Broomfield's substitute consideration, but I want to talk about the entire bill.

This bill authorizes \$13.3 billion in foreign aid programs. This represents \$923 million increase over the current appropriation levels, nearly \$1 billion more for next year.

With the federal deficit approaching \$300 billion, this bill is a kick in the pants for the American taxpayer. Who among us can honestly say my constituents want more foreign aid?

Who among us can say it is right to increase foreign aid when Congress must borrow to cover the deficit, when interest payments on the foreign debt constitute the third largest category of the entire federal budget.

Is foreign aid more important than Medicare, which Congress cut last year? Is foreign aid more important than housing? Is foreign aid more important than veterans benefits?

Is foreign aid more important than education? Is foreign aid more important than programs for our own children?

In each of these areas, federal programs do not meet the needs of our people, but here we have \$13 billion with a \$1 billion increase, when we are cutting our own people here at home.

Is this fair to the people who are paying the bill, the American taxpayer? How can this happen? Well, it happens because in my opinion, Members of this committee in their legislative arrogance have come to be attuned to the special pleas of foreign lands more than they are for our own people.

Mr. Broomfield talked about credibility in his opening statement which I thought was right on mark. But how can people in our country give credibility to the Congress when we do this type of action? No wonder we have cries for term limitations.

The average American, if he knew this bill, what was in this bill, would give this committee one clear message, and that would be Congress, it is time to put the American people first for a change.

And with that, Mr. Chairman, I appreciate you allowing me to introduce those remarks.

Chairman FASCELL. Thank you very much, Mr. Roth. Mr. Goss, let me just take a minute, though, to state something for the record.

I'm looking at the table. The administration request as estimated by CBO for fiscal year 1992 does total \$13,067,068. What it will be when Congress gets through with it, I have no idea, but that's where we start, with the administration request.

Mr. Goss?

Mr. Goss. Thank you, Mr. Chairman. I would like to support Mr. Broomfield's suggestion for very simple pragmatic reasons. While I think there is, in the abstract, tremendous merit in what you are saying about what we are trying to achieve and why we're here and going forward with the tasks this standing committee of Congress has been assigned, I think we ought to tackle the do-able and get the do-able done, because I think there is need for that and I think there is need for some of our other colleagues that we can achieve the do-able, and of course, the other body needs to know that too, whether we have any sway over their deliberations or not.

The second factor is coming out of the geographical sector of Title VII and the efforts that we've put there, there are some things that are do-able and I congratulate our Chairman and our ranking Member for finding them and making progress on them in conjunction with the administration, but there are some things that are mission impossible.

The mission impossible is holding up very definitely some of the other progress that we can make, so the idea of bifurcation here appears to me to be excellent. We get the best of both worlds.

We get the chance to accomplish something do-able, and we get a chance to tackle mission impossible in a more relaxed and hopefully productive atmosphere without being distracted with the fact that we know there are certain things that are going to be sacrificed.

I think we will be able to come up with a better package that way all the way around, both with the do-able and the mission impossible, so I support the Broomfield approach.

Thank you.

Chairman FASCELL. Let the Chair just respond briefly to that.

The problem we have, is that we've been advised, as far as the other body is concerned, they will only consider one bill. We have no chance in the world getting two or three bills through.

As a matter of fact, as of right now, we are in discussions with regard to the bill that's already passed this committee and is supposed to be on the House Floor, which is State Department-USIA authorization. We are being advised by leaders in the other body who have a responsibility with regard to these matters that we

better consider merging the bills, because they are not going to go to the Floor twice.

Now, I don't know, I certainly don't take that as the words from the Oracle of Delphi, but it is another one of the practical problems that we have to deal with. So, I think that the minority has made its point. I think at any time, either during or after committee consideration, or even on the Floor, for that matter, the substitute concept is still alive. But I think what we ought to do now is vote down the substitute, and get on with the consideration of the legislation.

Mr. GILMAN. Mr. Chairman.

Chairman FASCELL. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. I think Mr. Broomfield's suggestion merits a lot of serious consideration. I would like to question Mr. Broomfield, if he would be open for questions.

Mr. Broomfield, it is my understanding that you don't change the language of most of the work of the subcommittees, and I am particularly interested in our Europe and Middle East Subcommittee.

Does your proposal change any of the substance of that report?

Mr. BROOMFIELD. No, it would not change any of those provisions. It would simply give us an opportunity to push them forward separately. In fact, I think probably the work that you've done in your subcommittee along with Congressman Hamilton probably would give us the thrust to get these bills through. Undoubtedly, the best elements of both would be merged at some point, either on the floor or in conference. That's the intent.

Mr. GILMAN. So then essentially most of the work of the subcommittees is incorporated in your proposal, is that right?

Chairman FASCELL. No, Mr. Gilman. Let's get the record straight. Absolutely not.

Mr. BROOMFIELD. All the language would be retained, but in two separate bills. The substitute that I am proposing now covers only the core areas. The work that's been done by the subcommittees would be contained in a separate bill. At some point, it would have to be merged with core bill in order to go into conference on par with the Senate.

Mr. GILMAN. But you are not changing the substance of the words.

Mr. BROOMFIELD. No, we are not changing the substance of the words.

Mr. GILMAN. Thank you. Well then, I think it certainly deserves a lot of attention. I thank the gentleman for yielding.

VOTE ON THE BROOMFIELD AMENDMENT

Chairman FASCELL. Is there further discussion on the motion from the gentleman from Michigan?

If not, the question is on agreeing to the substitute. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no?

[Chorus of noes.]

Chairman FASCELL. It appears to the Chair the noes have it, and the motion is not agreed to.

TITLE I

The Chair now designates Title I and let's just proceed through the title until we get to a point where there is an amendment. Are there any amendments to Chapter 1?

MEYERS AMENDMENT—RELATIONSHIP BETWEEN DEMOGRAPHIC PRESSURES AND ENVIRONMENTAL DEGRADATION

Mrs. MEYERS. Mr. Chairman, I have an amendment to Chapter 1.
Chairman FASCELL. Mrs. Meyers has an amendment. Where is your amendment, Mrs. Meyers? At what point?

Mrs. MEYERS. It is on page 8, line 9, and then page 10, line 24. So it is pages 8 and 10.

Chairman FASCELL. The chief of staff will report the amendment.

Mr. BRADY. The amendment offered by Mrs. Meyers, page 8, line 9, insert—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and the gentlewoman is recognized for five minutes in support of her amendment.

[The amendment of Mrs. Meyers follows:]

MAY 8, 1991

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MRS. MEYERS

Page 8, line 9, insert "demographic trends," after "production,".

Page 10, line 24, strike out "and"; page 11, line 5, strike out the period and insert in lieu thereof "; and"; and after line 5, insert the following:

"(viii) greater attention to the relationships among demographic pressures, poverty, and environmental degradation."

Mrs. MEYERS. Mr. Chairman, what this—

Chairman FASCELL. Could you turn on your mike, I can't hear you?

Mrs. MEYERS. Okay. It is on.

Chairman FASCELL. Well, wait a minute. Let me see if I can get a little quiet then so I can hear you.

Mrs. MEYERS. Can you hear me now?

Chairman FASCELL. Yes.

Mrs. MEYERS. I'm creeping a little closer to it here. Essentially what this does is on page 10, line 24, after the final paragraph there, adds the language, "greater attention to the relationships among demographic pressures, poverty and environmental degradation."

Mr. Chairman, this amendment is necessary to ensure that the relationship between population and the environment is adequately studied. The issue of population and its relationship to the carrying capacity of the environment must be examined if we hope to pursue the vital objectives of sustainable resource management and ecologically sound growth.

People are part of the environment. They affect the ecology. I do not subscribe to the obscene theory that human beings are a blight on the earth. That's not what I'm talking about.

But one would have to be willfully blind not to recognize that population pressure has an effect on the environment. The biggest cause of tropical deforestation has been the expansion of crop and grazing lands to try and feed a skyrocketing population.

The need for firewood has also caused massive deforestation. The FAO estimates that over 1½ billion people are cutting firewood faster than these trees can grow back. And unlike the American forestry companies, these people cannot afford to plant a seedling when they cut down a tree.

Mr. Chairman, I would also like to ask for report language to state that AID's office of population conduct these policy studies. They have the demographic expertise to conduct a serious study of this important issue.

So all this really does, Mr. Chairman, is add some language to study the relationship of demographic pressures, poverty and environmental degradation, and it would ask for report language to have the most qualified agency conduct the study.

Mr. LANTOS. Mr. Chairman.

Chairman FASCELL. Mr. Lantos.

Mr. LANTOS. Mr. Chairman, I want to commend my colleague from Kansas for a very constructive amendment and I urge all Members to support it.

Chairman FASCELL. Is there further discussion? Mr. Gilman?

Mr. GILMAN. Mr. Chairman, I just want to associate myself with the gentlelady's proposal. I think it's an excellent one. We are beginning to recognize how demographic pressures and environmental degradation have a great deal to do with the problems we find around the world, and I urge support for the measure.

Mr. KOSTMAYER. Mr. Chairman.

Chairman FASCELL. Mr. Kostmayer.

Mr. KOSTMAYER. Mr. Chairman, I just want to associate myself with the remarks of the gentlelady from the State of Kansas and support the amendment. It speaks to a compelling and important issue, and that is the problem of population. I commend her for offering it.

VOTE ON THE MEYERS AMENDMENT

Chairman FASCELL. Is there further discussion on the amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

BEREUTER RESERVATION—CENTER FOR UNIVERSITY COOPERATION AND DEVELOPMENT

Mr. BEREUTER. Mr. Chairman.

Chairman FASCELL. Mr. Bereuter.

Mr. BEREUTER. Mr. Chairman, I would like to be recognized on Title I.

Chairman FASCELL. Mr. Bereuter, do you have an amendment or do you just want to talk on Title I?

Mr. Bereuter. Mr. Chairman, I would like to reserve the right to offer an amendment to Title I.

Chairman FASCELL. The gentleman is recognized for five minutes.

Mr. BEREUTER. Mr. Chairman, as you know, there is a big back-up in the bill drafting staff, and I would like to reserve the right to offer an en bloc amendment to Title I. It would affect pages 17, 19, page 59, but all of it restricted to Title I.

The subject of the amendment will be the relationship of development assistance activities to the research and expertise of the university and higher education community. The amendment will attempt to clarify the role of the Center for University Cooperation and Development which is addressed in Section 1941 of the Committee Print on page 59.

The proposed amendment will clarify how the University Center and advisory board to that center will relate to the functions and activities currently performed under Title XII, and by IFAD and agriculture development and economic cooperation.

The en bloc amendment will also clarify the statue of non-governmental university research and extension operations as a non-governmental activity at the grassroots level.

That is being prepared, but I do not have it ready and I would like to reserve the right to offer it.

Chairman FASCELL. I thank the gentleman for notifying the Chair on that, and of course, you will be protected on that and as promptly as the amendment is prepared, why we can come back to that.

Mr. BEREUTER. Thank you, Mr. Chairman.

WEISS AMENDMENT—AIDS EDUCATION AND PREVENTION

Mr. WEISS. Mr. Chairman

Chairman FASCELL. Mr. Weiss.

Mr. WEISS. Thank you, Mr. Chairman. I have an amendment at Title I, Chapter 2, Section 1201.

Chairman FASCELL. Please, let's have the Weiss amendment.

Mr. BRADY. Amendment offered by Mr. Weiss, page 24, after line 7, insert the following—

Mr. WEISS. Mr. Chairman—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and the gentleman from New York is recognized for five minutes in support of his amendment.

[The amendment of Mr. Weiss follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. WEISS

Page 24, after line 7, insert the following:

"(5) Prevention and control of acquired immune deficiency syndrome (AIDS), with a special emphasis on community-based education programs focussed on changing attitudes and behavior.

Redesignate paragraphs (5) through (16) of section 1201(d) as paragraphs (6) through (17), respectively.

Mr. WEISS. Thank you, Mr. Chairman. Mr. Chairman, this is a simple, non-controversial amendment which I believe has been cleared by both the majority and the minority.

The amendment would focus attention on efforts to combat the spread of AIDS in the developing world by adding this issue to the list of development activities found in the general authorities section of the bill.

The amendment would place AIDS prevention alongside the other priorities for our development program such as agricultural development, child survival, family planning, etc.

A.I.D. has already begun a major, worldwide program to combat the spread of AIDS. This amendment would express our committee's interest in, and support for, this important effort.

I am sure I don't need to remind the Members of this committee of the devastating impact of the AIDS epidemic in the developing world, especially in Africa. There are now approximately 10 million HIV-infected people worldwide. Before this decade is over, that number will quadruple to 40 million, according to the World Health Organization. Ten million of those will be children.

This tragic disease currently has no vaccine or cure, and our only weapon against it is education. This amendment would add AIDS to the list of the general authorities and place a primary emphasis on community-based education programs.

The amendment does not involve funding levels or earmarks. It merely expresses the sense of this committee that AIDS prevention and control must be an integral part of our development assistance program.

Thank you, Mr. Chairman.

VOTE ON THE WEISS AMENDMENT

Chairman FASCELL. Is there further discussion on the Weiss amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

Mr. Houghton?

HOUGHTON RESERVATION—PRIVATE SECTOR CREDIT PROGRAM

Mr. HOUGHTON. Yes, Mr. Chairman, I would like to ask unanimous consent to reserve the right to come back and to offer an amendment on the private sector credit program.

Subcommittee chairman Gejdenson and myself are working this thing out and I would like—

Chairman FASCELL. Where would this amendment go?

Mr. HOUGHTON. It would be on page 51.

Chairman FASCELL. On page 51.

Mr. HOUGHTON. Starting on line 2, and there are a variety of details I won't bother you with now, but I would like to be able to revisit that, if I could.

Chairman FASCELL. All right. We will make a note on that.

Mr. GILMAN. Mr. Chairman.

Chairman FASCELL. Mr. Miller is next.

Mr. GILMAN. I have one also.

Chairman FASCELL. Yes, okay. Mr. Kostmayer after Mr. Miller, and Mr. Gilman.

MILLER AMENDMENT—BENEFICIAL IMPACT OF ECONOMIC REFORM ON THE POOR

Mr. MILLER. Mr. Chairman, I would like to offer an amendment on title I, chapter 1, page 7, line 6.

Chairman FASCELL. The Miller amendment.

Mr. BRADY. The amendment offered by Mr. Miller, page 7, line 6, after economic—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record, and the gentleman from Washington is recognized in support of his amendment.

[The amendment of Mr. Miller follows:]

AMENDMENT NO. 1 OFFERED BY MR. MILLER OF WASHINGTON TO COMMITTEE PRINT DATED MAY 6, 1991

Page 7, line 6, after "Economic reforms which" add the following: "benefit, or"

Mr. MILLER. I think this is a non-controversial amendment. The purpose of it is to make clear that economic reforms are not necessarily negative in relation to the poor by inserting the word benefit.

We assert that economic reforms can have benefits as well as adverse impacts, and that's what my amendment attempts to do, to reflect that reality.

VOTE ON THE MILLER AMENDMENT

Chairman FASCELL. Is there further discussion on the Miller amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. Those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to. Mr. Gilman, do you have an amendment?

GILMAN AMENDMENT—MICROENTERPRISE DEVELOPMENT

Mr. GILMAN. Thank you, Mr. Chairman. The amendment is at the desk.

Chairman FASCELL. The Gilman amendment, Mr. Gilman, which line, which amendment?

Mr. GILMAN. The amendment is on page 30, line 25.

Chairman FASCELL. The Gilman amendment on page 30, line 25.

[The amendment of Mr. Gilman follows:]

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[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. GILMAN

Page 30, after line 25, insert the following:

1 SEC. 1224. MICROENTERPRISE DEVELOPMENT.

2 (a) FINDINGS.--The Congress makes the following
3 findings and declarations:4 (1) More than a billion people in the developin
5 world are living in poverty, with incomes of less than
6 \$370 a year.7 (2) According to the World Bank, mortality for
8 children under 5 averaged 121 per thousand for all
9 developing countries.10 (3) Nearly 40,000 children die each day from
11 malnutrition and disease.12 (4) Poor people themselves can lead the fight
13 against hunger and poverty through the development of
14 self-sustaining microenterprise projects.15 (5) Women in poverty generally are less educated,
16 have a larger workload, and have less access to economic
17 opportunity than their male counterparts. Directly aiding
18 women in the developing world has a positive effect on
19 family incomes, child nutrition, and health and
20 education.

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1 “(6) Microenterprise development offers the
2 opportunity for the poor to play a central role in
3 undertaking strategies for small scale, self-sustaining
4 businesses that can bring them out of poverty.

5 “(7) The World Bank estimates that there are over
6 400,000,000 self-employed poor in the developing world
7 and projects that, by the year 2020, 95 percent of
8 African workers will be employed in the informal sector.

9 “(8) For many people, lack of credit creates an
10 obstacle to the development of self-sustaining
11 enterprises.

12 “(9) Projects like the Grameen Bank of Bangladesh,
13 the Badan Kredit Kecamatan in Indonesia, and ADEMI in the
14 Dominican Republic have been successful in promoting
15 credit programs that have lent money directly to the
16 poor. Repayment rates in these programs are 95 percent or
17 higher indicating that it is possible to bank on the
18 poor.

19 “(10) The Agency for International Development has
20 been a leader in small and microenterprise development in
21 the past 20 years.

22 “(11) The Congress earmarked funds for fiscal years
23 1988, 1989, 1990, and 1991 for microenterprise
24 development activities and has called upon the Agency for
25 International Development to take steps to ensure that

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1 its microenterprise activities included a credit
2 component designed to reach the poorest sector of the
3 developing world.

4 "(12) In 1989, the Agency for International
5 Development created the Office of Small and
6 Microenterprise Development within the Bureau for Private
7 Enterprise to lead and coordinate the Agency's
8 microenterprise efforts.

9 "(13) In March 1990, the Agency for International
10 Development reported that new spending for
11 microenterprise development was \$58,800,000 for 1988 and
12 \$83,300,000 for 1989 and that the average loan size for
13 the credit component of the program averaged \$329 for
14 1988 and \$387 for 1989. However, less than 10 percent of
15 the spending for the 1988 program, and less than 7
16 percent of the spending for the 1989 program, was for
17 loans of under \$300.

18 "(14) A February 1991 report by the General
19 Accounting Office indicated that data in that March 1990
20 report was of 'questionable validity' and that the Agency
21 for International Development did not have a system to
22 track detailed information concerning its microenterprise
23 credit activities. Furthermore, the General Accounting
24 Office found that none of the three missions that it
25 visited targeted their microenterprise projects

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1 specifically to women or to the poorest 20 percent of the
2 population, as recommended by the Congress.

3 (15) The Congress recognizes that provision of
4 credit alone may not be sufficient to generate
5 opportunities for successful microenterprise development
6 and that assistance focused in the areas of institutional
7 development, technical assistance, training, and policy
8 reform may also be appropriate for assisting
9 microenterprise development.

10 (16) The Agency for International Development has
11 indicated its willingness to explore the idea of holding
12 a series of regional workshops on microenterprise
13 development. The Congress encourages the Agency to
14 include in these workshops opportunities for training
15 Agency personnel and United States and indigenous private
16 and voluntary organizations in activities designed to
17 reach the poorest of the poor.

18 (b) PURPOSES.--The purposes of this section are--

19 (1) to provide for the continuation and expansion
20 of the commitment of the Agency for International
21 Development to microenterprise development;
22 (2) to increase the amount of assistance going to
23 credit activities designed to reach the poorest sector in
24 developing countries; and

25 (3) to increase the percentage of such credit that

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1 goes to women beneficiaries.

2 (c) GENERAL AUTHORITY.--The President, acting through
3 the Administrator, is authorized to provide assistance for
4 programs of credit and other assistance for microenterprises
5 in developing countries. In addition to providing financial
6 resources for direct credit activities of indigenous
7 financial intermediaries, assistance under this section may
8 include assistance for institutional development of such
9 intermediaries (including assistance to enable private and
10 voluntary organizations to develop the capability to serve as
11 financial intermediaries), technical assistance, training,
12 and policy reform. Microenterprise credit and related
13 activities assisted under this section shall be carried out
14 primarily through those indigenous financial intermediaries
15 and private and voluntary organizations that are oriented
16 toward working directly with the poor and women.

17 (d) ELIGIBILITY CRITERIA FOR FINANCIAL
18 INTERMEDIARIES.--The mission of the administering agency for
19 this title that is responsible for a country receiving
20 assistance under this section shall establish criteria for
21 determining the financial intermediaries that will receive
22 assistance under this section, taking into account the
23 following:

24 (1) The extent to which the recipients of credit
25 from the intermediary lack collateral.

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1 “(2) The extent to which the recipients of credit
2 from the intermediary do not have access to the local
3 formal financial sector.

4 “(3) The extent to which the recipients of credit
5 from the intermediary have relatively limited amounts of
6 fixed assets.

7 “(4) The extent to which the recipients of credit
8 from the intermediary are among the poorest people in the
9 country.

10 “(5) The extent to which interest rates charged by
11 the intermediary on loans reflect the real cost of
12 lending.

13 “(6) The extent to which the intermediary reaches
14 women as recipients of credit.

15 “(7) The extent to which the intermediary is
16 oriented toward working directly with the poor and women.

17 “(e) LOWER TIER FOR POVERTY LENDING ACTIVITIES.--A
18 significant portion of the amount made available each fiscal
19 year to carry out this section shall be used to support
20 direct credit assistance by, and the institutional
21 development of, those financial intermediaries with a primary
22 emphasis on assisting those people living in absolute
23 poverty, especially women.

24 “(f) FOCUS ON WOMEN.--The Office of Small and
25 Microenterprise Development in the administering agency for

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1 this title shall include in its annual action plans a
 2 strategy for increasing the access of women in developing
 3 countries to credit and other microenterprise development
 4 activities, with the goal of increasing to at least 50
 5 percent the percentage of microenterprise credit that goes to
 6 women beneficiaries. This strategy shall be developed in
 7 consultation with the agency's Women in Development Office.

8 "(g) FUNDINGS SOURCES.--Funds to carry out this section
 9 shall be derived from the following sources:

10 (1) Funds available for development assistance.

11 (2) Funds available for assistance from the
 12 Development Fund for Africa.

13 "(3) Funds available for economic support
 14 assistance.

15 "(4) Local currency accruing as a result of
 16 assistance provided under this chapter, chapter 3 of this
 17 title, or chapter 1 of title V.

18 "(5) Local currency proceeds available for use under
 19 section 306(a)(9) of the Agricultural Trade Development
 20 and Assistance Act of 1954 (as amended by section 1512 of
 21 the Food, Agriculture, Conservation, and Trade Act of
 22 1990 (Public Law 101-624)).

23 "(6) Local currency which accrues as a result of
 24 assistance provided under the Agricultural Trade
 25 Development and Assistance Act of 1954 as in effect

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1 immediately before the effective date of the amendment
2 made by section 1512 of the Agricultural Development and
3 Trade Act of 1990.

4 (7) Local currency generated under subsection (h)
5 of this section.

6 (h) AUTHORITY TO GENERATE LOCAL CURRENCIES.--In order
7 to generate local currencies for use in providing assistance
8 under this section, the President is authorized to use funds
9 made available for development assistance, economic support
10 assistance, or assistance from the Development Fund for
11 Africa to provide assistance to the governments of developing
12 countries on a loan basis repayable in local currencies, at a
13 rate of exchange to be negotiated by the President and the
14 foreign government. Such loans shall have a rate of interest
15 and a repayment period determined by the President.

16 (i) NONAPPLICABILITY OF CERTAIN LAWS.--Local currencies
17 used under this section shall not be subject to the
18 requirements of section 1306 of title 31, United States Code,
19 or other laws governing the use of foreign currencies owned
20 by, owed to, or accruing to the United States.

21 (j) FUNDING LEVELS FOR FISCAL YEARS 1992 AND 1993.--

22 (1) MINIMUM LEVEL OF ASSISTANCE.--The Administrator
23 shall use not less than \$85,000,000 for fiscal year 1992,
24 and not less than \$85,000,000 for fiscal year 1993, for
25 microenterprise assistance pursuant to this section.

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1 (2) ASSISTANCE FOR THE POOREST SECTORS.--

2 (A) MINIMUM FUNDING LEVEL.--Of the amounts used
3 pursuant to paragraph (1), not less than \$20,000,000
4 for fiscal year 1992 and not less than \$30,000,000
5 for fiscal year 1993 shall be used to support loans
6 having a purchasing power equal to or less than \$300
7 (in United States dollars).

8 (B) INITIAL LOANS.--Of the loans supported
9 pursuant to subparagraph (A), initial loans to
10 microenterprises should, to the maximum extent
11 practicable, have a purchasing power equal to or less
12 than \$150 (in United States dollars).

13 (C) CRITERIA FOR ATTRIBUTION TO FUNDING
14 REQUIREMENTS.--In addition to amounts made available
15 for direct credit activities involving loans
16 described in subparagraph (A) or (B), amounts used
17 for institutional development of a financial
18 intermediary described in subsection (e) shall be
19 considered to support such loans for purposes of that
20 subparagraph to the same extent as the aggregate
21 amount loaned by such institution represents loans
22 described in that subparagraph.

23 (3) USE OF LOCAL CURRENCIES.--In order to meet the
24 funding requirements of this subsection, local currencies
25 described in subsection (g) may be used in lieu of an

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1 equivalent amount of dollars.

2 (k) MONITORING.--The Administrator shall develop a
3 monitoring system to evaluate the microenterprise development
4 activities of the administering agency for this title,
5 including their effectiveness in reaching the poor and women
6 and their overall impact on economic development in each
7 beneficiary developing country. In developing this system,
8 the Administrator shall consult with the appropriate
9 congressional committees and with appropriate private
10 voluntary organizations.

11 (l) REPORTS TO CONGRESS.--The Administrator shall
12 report to the Congress annually on the microenterprise
13 development activities of the administering agency for this
14 title, including the agency's strategy for complying with the
15 minimum funding requirements of subsections (j)(1) and (2).

Mr. GILMAN. Mr. Chairman, while they are passing out the amendment, permit me to speak to the amendment. This amendment fully incorporates the measure passed by the Economic Policy and Trade Subcommittee, H.R. 1608 offered by my good colleague, Representative Feighan, and it has virtually unanimous support in that subcommittee.

Millions of people in the Third World remain desperately poor because they lack access to credit in amounts well under \$300.

Hundreds of projects in dozens of countries have demonstrated that the poor people in those countries can repay very small loans if they are given the opportunity to borrow.

This was dramatized by a segment aired last year on 60 Minutes called "Banking on the poor." We have been working on micro-enterprise loans for the indigent since 1986 in consultation with a wide range of United States and Third World non-profit organizations, and donor agencies, AID, etc.

Congressman Feighan and Congressman Gejdenson have been particularly energetic in their support of this proposal. In 1987, legislation passed this committee in the full House which is very similar to the amendment we are proposing today.

Unfortunately, Mr. Chairman, because the authorization bill was not adopted in the Senate, what ended up passing was an earmark and the appropriations bill was non-binding. The report language emphasized the poverty focus that was in the bill that was passed by this committee.

In early 1989, the administrator of AID stated that the agency was meeting the letter and the spirit of the earmark. We commissioned a GAO study to substantiate that claim, but GAO found two distressing things in AID program.

The GAO stated that the missions they visited did not specifically target their micro-enterprise projects to the poorest 50 percent of the population, or emphasized credit assistance to women, or to women of the poorest 20 percent of the population.

The GAO also found that the data AID had presented Congress on its program March 30th, 1990 was of questionable validity. These findings have prompted myself and my colleagues to propose this amendment which would increase the overall earmark from \$75 million to \$85 million, and require that \$20 million of the fiscal year 1992 earmark be directed to programs which make loans under \$300 to the poorest people.

The legislation also requires AID to devise a plan whereby the percentage of loans going to women—currently around 35 percent—go well above 50 percent.

Mr. Chairman, this legislation has the support of a wide range of groups, including ACCION International, CARE, Catholic Relief, the Foundation for International Community Assistance known as FICA, Freedom from Hunger Foundations, RESULTS, the Grammeen Bank and the Council for International Development.

In recognition of the importance of assisting the poorest people, and reverse environmental degradation, the National Wildlife Federation has also endorsed the legislation.

Thank you, Mr. Chairman. I urge my colleagues to support the amendment.

Mr. FEIGHAN. Will the gentleman yield?

Mr. GILMAN. I will be pleased to yield to the gentleman.

Mr. FEIGHAN. Thank you, Mr. Gilman. I simply want to add my voice of support for the Gilman amendment. As the gentleman from New York has said, this amendment really constitutes legislation that he and I have worked on for months and introduced and had passed by the subcommittee.

The legislation originally was cosponsored by virtually every, or nearly I should say, every member of the Subcommittee on Economic Policy and Trade, including our very able chairman, Mr. Gejdenson who has been enormously helpful in moving this legislation on micro-enterprise development through the Congress.

I think just perhaps the most important factor to note as we consider this is that the legislation was developed after very lengthy and productive discussion with AID, with the PVO community and following the GAO study which Mr. Gilman has made reference to.

We think the recommendations in the Gilman amendment will give us an opportunity to fashion a micro-enterprise development program that is consistent with the goals that AID is seeking, and consistent with the excellent work that they are doing today, but also ensuring that the congressional goal of providing credit assistance and other forms of micro-enterprise development to the poorest of the poor will be accomplished.

That's why I think that the earmarks that we have are reasonable. They are certainly consistent with the levels of spending that AID currently has in the overall programs of the micro-enterprise development sector.

Thank you, Mr. Chairman.

Mr. GEJDENSON. Will the gentleman yield?

Mr. GILMAN. I would be pleased to yield.

Chairman FASCELL. Mr. Gejdenson.

Mr. Gejdenson.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. GEJDENSON. I would just like to commend the gentleman from New York and the gentleman from Ohio for their excellent work. Clearly without Mr. Gilman and Mr. Feighan, this program wouldn't be where it is today and we wouldn't have the kind of amendment before us that will make sure the services go to exactly where the Members of Congress and our committee want them to go. I would just like to commend both of the gentlemen.

Mr. BEREUTER. Mr. Chairman.

Chairman FASCELL. Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman. I just wanted to say a few supportive words about the amendment offered by the gentleman from New York.

We've had a difficult time having the administration think small enough really to think of micro-enterprise issues, and we have seen some difficulty and resistance in moving ahead with this effort.

I think it is important that the committee gives evidence that it has thought about this issue, and that it is the will of this committee that this program be given some priority within the Agency for International Development, and that indeed, they think small.

The experience of the private voluntary organizations, organizations like FICA, have shown that it brings remarkable results in a short period of time.

Now, if in fact, they have to move through an entity other than themselves for administering that program, they have that option under this language, but it is important that we have given evidence that we are supportive of it. We have considered it carefully and we want to proceed with this program.

I thank the gentleman for his initiative.

Mr. WEISS. Mr. Chairman.

Chairman FASCELL. Mr. Weiss.

Mr. WEISS. Thank you, Mr. Chairman. I, too, want to commend Mr. Gilman and Mr. Feighan and the subcommittee for presenting this amendment. It is unfortunate that for the most part this effort which is so successful and so effective has been left to the private sector.

There is an organization called Trickle Up which was founded by and headed by a couple, Mildred and Glen Leach, who live in my district which does remarkable work out of monies that they raise privately.

It seems to me that it is time for our government to take a more effective leadership role in this process. Thank you.

Mr. GILMAN. I thank the gentlemen for their comments.

Mr. ROTH. Mr. Chairman.

Chairman FASCELL. Mr. Roth.

Mr. ROTH. Thank you, Mr. Chairman. No one disputes the good intentions of the sponsors of this amendment, but I just have a question to ask, and that would be why should the American taxpayer be funding thousands of these \$300 so-called loans around the world when our own taxpayers wouldn't be eligible for this kind of money?

Why shouldn't this be left to the private charities. If the private charities are so much in favor of it and have done such a good job at it, leave the private charities do it.

Why should the American taxpayer pay for a program which no American is eligible for? It makes no sense to me and I believe it makes no sense to the average American. We have a deficit of \$280 billion. People say well this is just a little amount, it is only a few million here and a few million there.

But you know, as Benjamin Franklin said, little holes will sink a big ship and I think that's precisely why we have the huge deficits.

While I say I know that these people have good intentions, but I don't think it is living in the real world. Passing out \$300 checks to everyone in the world is not going to promote small business.

Chairman FASCELL. Is there further discussion on this amendment?

Let me just say, that what we have here is the classic dilemma that arose in the discussion that we had this morning. And that is, my distinguished colleague who proposed this amendment spoke very eloquently on the other side of the issue this morning.

I don't want to take anything away from him, but I want us all to realize that politics is the art of the possible. What we have here is a very laudable objective which is sought by many organizations which are not part of government, and I dare say that if the administration were to testify, we'd hear a slightly different story.

I simply point out that this is an earmark with two sub-earmarks, and before we get through, it may have six earmarks. I'm

delighted, however, that Mr. Gilman, can be flexible enough so that early in the morning he can argue against earmarks, and by noon, he can give us three more. [Laughter.]

I think that's the essence—

Mr. GEJDENSON. Mr. Chairman.

Chairman FASCELL. Of a democratic society.

Mr. GEJDENSON. Mr. Chairman.

Chairman FASCELL. Mr. Gejdenson.

Mr. GEJDENSON. I think the saying is something to the effect that consistency is the hobgoblin of small minds.

Chairman FASCELL. Well, I certainly wouldn't want to be—

Mr. GEJDENSON. He is just proving that he's broader than that. [Laughter.]

Chairman FASCELL. I wouldn't want to be tabbed as having a small mind.

Mr. ACKERMAN. Will the gentleman yield?

Chairman FASCELL. Sure.

Mr. ACKERMAN. I believe it is a foolish consistency is the hobgoblin of small minds.

VOTE ON THE GILMAN AMENDMENT

Chairman FASCELL. Is there further discussion on the Gilman amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Mr. Gilman, do you have another amendment?

Mr. GILMAN. Yes.

Chairman FASCELL. All right.

GILMAN AMENDMENT—PRIVATE VOLUNTARY ORGANIZATION ACTIVITIES

Mr. GILMAN. I have another amendment.

Chairman FASCELL. In the same place? Same line?

Mr. GILMAN. Well, Mr. Chairman—

Chairman FASCELL. Different subject or what?

Mr. GILMAN. Yes. Page 30 after line 25.

Chairman FASCELL. The chief of staff will report the amendment.

Mr. BRADY. The amendment offered by Mr. Gilman, page 30 after line 25, insert the following, Section 1224, private voluntary organization activities.

Mr. GILMAN. I move that the—

Chairman FASCELL. Without objection, the reading of the amendment will be dispensed with, printed in the record in full and the gentleman is recognized for five minutes in support of his amendment.

[The amendment of Mr. Gilman follows:]

ICA91A052

[MAY 9, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91

OFFERED BY MR. GILMAN

Page 30, after line 25, insert the following:

1. SEC. 1224. PRIVATE VOLUNTARY ORGANIZATION ACTIVITIES.

2 (a) FINDINGS.--The Congress finds that the
3 participation of rural and urban poor people in the
4 activities to be carried out to promote the basic objectives
5 set forth in section 1102 can be assisted and accelerated in
6 an effective manner through an increase in activities carried
7 out by private voluntary organizations and cooperatives.

8 (b) FUNDING.--Of the funds authorized to be
9 appropriated by section 1202, not less than \$275,400,000 for
10 fiscal year 1992 and not less than \$275,400,000 for fiscal
11 year 1993 shall be made available for the activities of
12 private voluntary organizations which promote the basic
13 objectives set forth in section 1102.

Mr. GILMAN. Thank you. Mr. Chairman, the committee staff inadvertently distributed the wrong language of the last amendment.

Chairman FASCELL. We have—

Mr. GILMAN. But they are both before us now. Mr. Chairman, I am offering a provision under Section 1203 which will make certain that our partnership with the private voluntary organizations in carrying out the four major objectives of our development assistance program is properly sustained.

This provision ensures that at least 20 percent of the funds authorized to be appropriated for fiscal years '92 and '93 support the partnership.

The private voluntary organizations augment the funds made available for the four major objectives with funds of their own. The private voluntary organizations have a remarkable record, as many of us know, in many of the areas which have given priority in this bill—in other words, poverty alleviation, popular participation in democratic and economic development, pluralism, and natural resource management.

The provision I'm offering today will strengthen that partnership. Many of you visited some of the most troubled and poorest nations, know firsthand of the work of our PVO's in promoting these objectives.

Accordingly, I ask our colleagues to support this measure in sustaining and expanding this historical relationship.

Thank you, Mr. Chairman.

Chairman FASCELL. Well, I'm not trying to beat this dead horse, but I've got to point out, because an issue has been made of this, that what we have here are two more earmarks.

Now, the earmarks are laudable. I'm sure the administration would be glad to do what the gentleman suggests, but nevertheless, everybody wants to protect their little piece of the pie, so here we go with two more.

VOTE ON THE GILMAN AMENDMENT

Is there further discussion with regard to the Gilman amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

Mr. KOSTMAYER. Mr. Chairman.

Mr. SOLARZ. Mr. Chairman.

SOLARZ UNANIMOUS CONSENT REQUEST—AMENDMENT ON FUNDING LEVELS FOR TURKEY

Chairman FASCELL. Let me yield to Mr. Solarz for a unanimous consent request, and then I will come right to you.

Mr. Solarz.

Mr. SOLARZ. Thank you, Mr. Chairman. There is an earmark on FMF for Turkey in Title VIII of the bill, and I expect that an amendment will probably be offered to affect that title.

However, the amendment is also likely to affect the ESF funding levels in Title I and the FMF funding levels in Title II, as well as excess defense articles provision in Title II.

So I would like to ask unanimous consent, Mr. Chairman, in order to spare the committee the agony of having to debate and vote on virtually identical amendments in three separate titles of the bill, that an amendment involving funding levels for Turkey be offered when we get to Title VIII, but retroactively covering titles of the bill that we have previously gotten to.

Chairman FASCELL. Will the staff make a note of that? Without objection, it is so ordered. The Solarz amendment will be offered in Title VIII.

Mr. Kostmayer.

KOSTMAYER AMENDMENT—ASSISTANCE FOR POPULATION PLANNING

Mr. KOSTMAYER. Mr. Chairman, I have two amendments on population. May I offer one right after the other? They speak to the same issue.

Chairman FASCELL. Do you want to consider them en bloc or separately?

Mr. KOSTMAYER. Well, separately, Mr. Chairman.

Chairman FASCELL. Which one do you want first?

Mr. KOSTMAYER. The one establishing the population account, and the second would be designating certain portions for UNFPA.

Chairman FASCELL. The chief of staff will report the amendment.

Mr. BRADY. The amendment offered by Mr. Kostmayer, page 26—

Mr. KOSTMAYER. Mr. Chairman, I ask unanimous consent that—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with and the gentleman from Pennsylvania is recognized for five minutes in support of his amendment.

[The amendment of Mr. Kostmayer follows:]

ICA91A021

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. KOSTMAYER

Page 26, after line 23, insert the following:

1 ``SEC. 1204. ASSISTANCE FOR POPULATION PLANNING.

2 `` (a) FINDINGS.--The Congress finds that--

3 `` (1) the population of the world exceeds 5 billion
4 and is growing at an unprecedented rate of approximately
5 95 million per year;

6 `` (2) the vast majority of this growth is occurring
7 in the poorest countries, those least able to provide
8 even the most basic services for their citizens;

9 `` (3) the demands of growing populations are
10 contributing substantially to environmental devastation,
11 famine, economic stagnation, and political and social
12 instability;

13 `` (4) the global community has for more than 20 years
14 recognized that it is a fundamental human right for
15 people to voluntarily and responsibly determine the
16 number and spacing of their children, and the United
17 States has been a leading advocate of this right;

18 `` (5) the World Bank estimates that an average
19 fertility rate of 2.4 children per woman; the rate needed
20 for eventual population stabilization at present death

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1 rates, could be achieved by the year 2000 if the
2 proportion of couples in developing countries using
3 contraception were to rise from the current rate of 40
4 percent to 72 percent; and

5 "(6) these population goals can be accomplished
6 through a mix of bilateral and international population
7 assistance to make family planning services universally
8 available on a voluntary basis by the year 2000 in order
9 to slow the rate of population growth and therefore
10 reduce pressures on global resources.

11 "(b) POPULATION PLANNING ASSISTANCE.--In order to
12 increase the opportunities and motivation for family planning
13 and to reduce the rate of population growth, assistance under
14 this chapter shall include assistance for voluntary
15 population planning.

16 "(c) AUTHORIZATION OF APPROPRIATIONS.--There are
17 authorized to be appropriated to the President to carry out
18 this section \$300,000,000 for fiscal year 1992 and
19 \$350,000,000 for fiscal year 1993, in addition to any other
20 amounts made available under this Act for such purpose.

21 "(d) LIMITATION ON DIVERSION OF POPULATION FUNDS TO
22 OTHER PURPOSES.--In implementing requirements or authorities
23 to provide assistance from funds appropriated to carry out
24 this chapter or this title, the amount available to carry out
25 subsection (b) pursuant to the authorizations provided in

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3

- 1 subsection (c) shall not be reduced by a greater proportion
- 2 than the amount available to carry out section 1201 pursuant
- 3 to the authorizations provided in section 1202.

Page 26, line 5, strike out ``\$1,377,000,000`` and insert in lieu thereof ``\$1,077,000,000``; and line 6, strike out ``\$1,377,000,000`` and insert in lieu thereof ``\$1,027,000,000``

Mr. KOSTMAYER. Mr. Chairman, I would like to be able to pursue the approach outlined by Mr. Hamilton and Mr. Gilman when it comes to earmarks, but when it comes to population, it's difficult to do because this administration and their commitment to population and to family planning is really I think very questionable.

So very simply, Mr. Chairman, this amendment would restore the population account, \$300 million for this year, \$350 million for next year. This is an amendment that I've offered for each of the nine years I've served on the House Foreign Affairs Committee, and I offer it again this year.

Mr. Chairman, I won't take the time of the committee to go through the arguments. We know them. We know that by the time this day is over, the world's population will have grown by a quarter of a million people, and by the time this year is over, the world's population will have grown by about 95 million people, most of them in the poorest parts of the world.

And so, Mr. Chairman, I would ask the committee without further ado, to support this amendment.

Chairman FASCELL. Two comments from the Chair, if I may, Mr. Kostmayer.

Mr. KOSTMAYER. Yes, sir.

Chairman FASCELL. One is I just want to be sure everybody understands that the amount will be subject to reconciliation. We think that it will be provided for, but we are not sure until we get the end of the bill.

The other is I would ask the gentleman from Pennsylvania, you've got some findings language—

Mr. KOSTMAYER. Mr. Chairman, I ask unanimous consent to delete subsection [a] which I think is just extra verbiage. I don't know how that extra verbiage got in my amendment. [Laughter.]

Chairman FASCELL. Without objection, subsection [a] will be deleted.

Mr. KOSTMAYER. Thank you.

VOTE ON THE KOSTMAYER AMENDMENT

Chairman FASCELL. Is there further discussion on the Kostmayer amendment?

If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no. The ayes have it, the amendment is agreed to.

Mr. Kostmayer.

KOSTMAYER AMENDMENT—FUNDING FOR UNFPA

Mr. KOSTMAYER. Mr. Chairman, the second amendment would designate 16 percent of the amount we have just dealt with, or \$20 million, whichever is less, for the UNFPA.

Chairman FASCELL. The chief of staff will report the amendment.

Mr. BRADY. The amendment offered by Mr. Kostmayer, page 26, after line 23 insert the following.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and the gentleman is recognized in support of his amendment.
[The amendment of Mr. Kostmayer follows:]

ICA91A03

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. KOSTMAYER

Page 26, after line 23, insert the following:

1 SEC. 1205. FUNDING FOR THE UNITED NATIONS POPULATION FUND.

2 OF the funds appropriated under section 1204(c),
3 \$20,000,000 or 16 percent of the amount appropriated
4 (whichever is less) shall be available only for the United
5 Nations Population Fund, subject to the following conditions:

6 (1) The United Nations Population Fund shall be
7 required to maintain these funds in a separate account
8 and not commingle them with any other funds.

9 (2) None of these funds shall be made available for
10 programs for the People's Republic of China.

11 (3) Any agreement entered into by the United States
12 and the United Nations Population Fund to obligate these
13 funds shall expressly state that the full amount granted
14 by such agreement will be refunded to the United States
15 if any United States funds are used for any family
16 planning programs in the People's Republic of China or
17 for abortions in any country.

Mr. KOSTMAYER. Mr. Chairman, this amendment would designate 16 percent of the amount just discussed, or \$20 million, whichever is less, for the UNFPA.

Chairman FASCELL. Is there further discussion?

Mr. SMITH. Mr. Chairman.

Chairman FASCELL. Mr. Smith.

Mr. SMITH. I rise in opposition to the amendment. I think I know where the votes are going to be in this committee and we will further embrace this when we get to the floor, but I think it continues to be an outrage that the UNFPA is one of the leading cheerleaders and supporters of the coercive population control program in the People's Republic of China.

Dr. Sadik has said on CBS Nightwatch, and has said in a personal conversation with me identically the same thing, that it is a purely voluntary program in China.

I recently returned from a trip to Beijing. I met with Peng Peiyun, the head of the state family planning commission, met with other high-ranking officials including Premier Li Peng, and they too say that it is a purely voluntary population control program.

Nothing could be further from the truth. China is indeed embarked on the most vicious assault against women, against the family, by using forced abortion, involuntary sterilizations, mandatory insertions of the intrauterine device, the IUD.

It seems to me that providing money to an organization that has been found to be in violation of the Kemp-Kasten anti-coercion language each year since 1985, after looking at the record of UNFPA's complicity in that program, the administration has said that they could no longer contribute to the UNFPA.

I think to provide an earmark, to reward China and to have some language talking about none of the funds going to China, we all know that money is fungible and this organization, the UNFPA ought to divest itself from its work in China until the Chinese program ceases its human rights against the Chinese people.

Mr. ACKERMAN. Will the gentleman yield?

Mr. SMITH. Not at this point. Mr. Chairman, I would also point out to the committee that if this amendment were to survive through the process, the tortuous process of going through the floor on this or any other bill, we are talking about a veto by the administration.

The administration has made it very clear that if there is a reversal of Kemp-Kasten and this earmark is probably the first step in a process of trying to reverse that policy, we will see a veto of the entirety of this legislation, and I think that would be more unfortunate.

So I would say, it's time this committee began recognizing that human rights in population control programs have real meaning, that voluntary family planning not involuntary family planning is what we ought to be supporting.

Those organizations that support voluntary family planning do get our support and get U.S. taxpayers' funds.

Chairman FASCELL. Is there further—

Mr. HYDE. Mr. Chairman.

Mr. ACKERMAN. Will the gentleman yield?

Chairman FASCELL. Mr. Ackerman, then Mr. Hyde.

Mr. ACKERMAN. There are many of us that share your concerns but in the reading of Mr. Kostmayer's amendment, it seems to me that on line 9, paragraph 2 it says specifically none of these funds shall be made available for programs for the People's Republic of China.

Mr. SMITH. If the gentleman—I would reclaim my time just to respond.

This was the identical bookkeeping device that was tried in earlier amendments. The distinguished Senator from Maryland, Barbara Mikulski, tried this on the foreign ops bill and the President very explicitly in his letter to Foreign Operations Chairman David Obey and Mickey Edwards, the ranking Member, said that that just doesn't cut it.

If that kind of language were to be included, the so-called segregated accounts—separating our funds from these others, we are still supporting an organization that, itself, is providing very necessary demographic and other data that helps and assists the Chinese in implementing this coercive population control program.

I would also ask my colleagues if they have not, as yet, either they or members of their staff, to take the time and read Dr. John Aird's book entitled "Slaughter of the Innocents."

Dr. Aird is a specialist, former specialist with the U.S. Census Bureau, and has made a lifetime in tracking demographic data in China. He is a very strong supporter of abortion rights which I happen not to be, but points out that this coercion in China is absolutely pervasive in the program.

UNFPA is very tangibly assisting in the implementation of this program.

Chairman FASCELL. The gentleman's time has expired.

Mrs. MEYERS. Mr. Chairman.

Mr. ACKERMAN. Mr. Chairman.

Chairman FASCELL. Mr. Ackerman.

Mr. ACKERMAN. I would just like to point out that I believe Mr. Kostmayer has attempted to take care of this in the clearest manner possible. On line 6, paragraph 1, it says the United Nations population fund shall be required to maintain these funds in a separate account and not to commingle them with any other funds.

I don't know how else you can do it.

Mr. KOSTMAYER. Will the gentleman yield to me?

Mr. ACKERMAN. I would be delighted.

Mr. KOSTMAYER. The gentleman from New York is precisely correct. We go through this every year. We've gone through it nine years. I suppose we will go through it for the next nine.

No United States money goes to the program in China, whatsoever. It couldn't be clearer as the gentleman from New York just pointed out.

The gentleman from New Jersey is entitled to his views about the program in China, but he is not entitled to his view that we participate in that program. We don't, and that is made quite clear in the amendment.

Chairman FASCELL. The gentleman's time has expired. Mr. Hyde.

Mr. HYDE. Thank you, Mr. Chairman. I appreciate the lengths to which the gentleman from Pennsylvania has gone to avoid supporting the coercive abortion program in China, and I know that he feels that coercion of this sort is a particularly vicious act by a government.

China has shown itself very capable of abusing its own people, and I can't think of a more climactic abuse than coercing women to destroy their unborn children, so I think we can all agree that's a particularly vicious sort of rape in reverse that nobody wants to support.

The problem is the UNFPA does support it. The UNFPA thinks it's a marvelous program of population control, and we should not associate ourselves with any agency that has a kind word of support for that type of vicious program.

Now, money is fungible. I agree that the language says we will have a separate account and not be commingled, but the fact that we are giving the UNFPA so many millions of dollars frees them up to use other monies to give to China.

We should not be associated with any international organization that advances the cause of coerced abortion. Whether you think abortion is a good idea or not, it should not be coerced, and therefore, by aiding the UNFPA, by legitimating it, by supporting it, we are assisting indirectly what we dare not do directly—support a program in China of coerced abortion.

Now, if we are trying to bring that country into the mainstream, into the modern world, one thing they ought to do is stop locking up people who oppose their government, and stop forcing women to kill their unborn children.

So well intentioned as Mr. Kostmayer is, there are other places this money can go that can accomplish the same family planning purposes. We don't say deny the money to family planning. We say deny it to the United Nations population fund, and maybe one of these years, they will understand that so long as they support the Chinese program, we won't support them.

I yield back.

Mr. KOSTMAYER. Will the gentleman yield to me?

Chairman FASCELL. Mr. Weiss.

Mr. WEISS. Mr. Chairman, talk about red herrings. This is clearly one. They know that they can't—the people who oppose this amendment, they can't beat it logically on the amendment itself, so they bring in a program in Red China which, in fact, is specifically, in three paragraphs of this amendment, excludes China from participation, requires a separate account, and then says if in spite of these, there are monies that are given to China, that they have to reimburse the United States for this purpose.

Now again, I sort of find it ironic that this administration which has been very quick to overlook what are the real concerns of most Americans about the oppressive nature of the Chinese Government in dealing with its own people, its arrests and executions of people, its brutal treatment of its young people, that they think is okay, but they use this kind of phoney attack on a piece of legislation which is absolutely essential, it seems to me, to allow the United Nations to do its mission of trying to provide for a world in which people can live in decency and dignity.

Chairman FASCELL. Mrs. Meyers.

Mrs. MEYERS. Thank you, Mr. Chairman. I appreciate what my friend from Illinois has said about coercion. None of us supports any of the bad activities that are going on in China.

But I've got to think that Mr. Kostmayer has been as careful as he can about the drafting of this to make sure that not only no money goes to China, but that the money is not fungible.

There is another kind of coercion that goes on, and it is the coercion to force women to have children. If we don't give money to the UNFPA, we deny money to all of the other countries in the world that need support for family planning services because one country has been what all of us know is overzealous.

I am referring to Rumania where they had a perfectly awful five children per family policy, no matter how ill the mother was, no matter what the financial circumstances of the family.

We tried last year to get some money for UNFPA for Rumania. It was defeated on the floor. UNFPA was the only family planning agency on the ground in Rumania ready to go, and this was defeated on the floor, and the women of Rumania are still waiting for our help.

In Bangladesh, there are an average of five children per family. That country is a total tragedy, not only as far as the recent floods and typhoons are concerned, but as far as their over-population is concerned.

I would request that everyone read Hobart Rowen's article in the Washington Post this morning.

No one wants to coerce anyone. I am certainly for choice for women in terms of the number of children they want to have, but I think it's imperative that we get money to those organizations in the world that have the most effective network for distributing family planning advice and services.

This is not an abortion amendment. This is a family planning amendment.

Mr. SOLARZ. Mr. Chairman.

Mr. HYDE. Would you, would you—

Chairman FASCELL. Mr. Solarz.

Mr. HYDE. I am asking the gentlelady to yield, if she would. Would you?

Mrs. MEYERS. Yes, I would yield.

Mr. HYDE. I just want to ask Mr. Kostmayer a question. Would the gentleman consider accepting an amendment to his amendment that would grant the money to the UNFPA, but withhold its delivery until such time as the UNFPA no longer supports the Chinese coerced abortion program?

Mr. KOSTMAYER. If the gentlelady would yield to me, no, I won't because that's not our money, and really what you are talking about, I think, is the Mexico City policy in which President Reagan said not only are we not going to give money for abortion, which we shouldn't, but we are not going to give money to organizations that use their own money for abortions.

I don't think—

Mr. HYDE. I am just talking about coerced abortions.

Mr. KOSTMAYER. Well, I share the gentleman's sentiments about China. I think the Chinese Government is a monstrous government

and I hope that the gentleman will support us when we seek to deny MFN in a couple of months or whenever that comes up, but just let me say one thing, Mr. Chairman. I know you want to bring this debate to an end.

The UNFPA serves 138 countries. If the United States denies funding to the UNFPA, we're cutting off not China because we don't give them any money anyway, we are cutting off 138 countries.

That would be a tragic mistake and I ask that the amendment be approved.

Mr. LANTOS. Mr. Chairman.

Chairman FASCELL. Mr. Solarz.

Mr. SOLARZ. Thank you very much, Mr. Chairman. This has been an interesting debate, and I would like, if I might, to ask my very good friend from New Jersey one question, and then depending on his answer, offer a few observations.

Let me preface the question by saying I think we are all in the debt of the gentleman from New Jersey for his efforts over the years to focus attention on the extent to which the Chinese Government is engaged in utterly unacceptable family planning practices in China.

I know of no one else that has so relentlessly attempted to bring about an end to these practices in China, but my question to the gentleman is: of the 137 other countries where the UNFPA has family planning programs, are you aware of any in which you believe the UNFPA is either supporting forced abortions or involuntary sterilizations, or any other form of coercive family planning?

Or are your concerns limited to the UNFPA program in China?

Mr. SMITH. Based on the information I have available to me, China seems to be the only one that would fit. If I could continue just for a brief moment—and I thank you for your very kind words just a moment ago—the other countries that you're referencing very easily could be recipients of our U.S. aid and aid from other countries by way of programming.

Every dollar that is denied to the United Nations Population Fund is re-programmed to another non-governmental organization or bilaterally to some other nation for family planning purposes.

There is no loss of family planning funds as a result of the denial of those funds.

Mr. SOLARZ. Let me say that listening very carefully as I have to the gentleman's objections to Mr. Kostmayer's amendment, it would seem to me there would be two justifications for voting against the Kostmayer amendment.

The first would be the extent to which it provided funds for population planning programs in China that might be used for involuntary purposes, but the language of the amendment makes it very clear that that would not be permitted.

The second reason might be the extent to which the UNFPA was engaged in similar population programs elsewhere that involve forced abortions or involuntary—

Mr. KOSTMAYER. If the gentleman would just yield for a point, no one has suggested that the UNFPA has been involved in this. The accusation is that China—

Mr. SOLARZ. I understand.

Mr. SMITH. Will the gentleman yield?

Mr. SOLARZ. But may I finish the point and then I will yield?

Mr. SMITH. Sure.

Mr. SOLARZ. But apparently there is no reason to believe that any other country in the world is engaged in these programs, let alone the UNFPA.

There is, I could imagine, a third argument, and that is by denying the funds to the UNFPA we can somehow induce the UNFPA to withdraw from any involvement in China. Yet, so far as I can determine, we have not given any money to the UNFPA for several years now, and apparently the UNFPA program in China continues.

So the notion that by rejecting the Kostmayer amendment, we will somehow be putting pressure on the UNFPA to get them to terminate their program in China seems to me to be unpersuasive. We haven't been funding the UNFPA for several years, yet the very program which our good friend, Mr. Smith, seems to feel is objectionable continues.

Consequently, it seems to me very clear that the consequence of rejecting this amendment will not be to end the UNFPA program in China, let alone get China to change its practice. It will be simply to deny funding to the UNFPA that would be available, as Mr. Kostmayer has said, to 137 other countries where there isn't even a suspicion of objectionable family planning practices taking place.

Mr. SMITH. Will my friend yield very briefly?

Mr. SOLARZ. In conclusion, I support the Kostmayer amendment and will yield to the gentleman from New Jersey.

Mr. SMITH. I thank my friend for yielding. Just let me point out two quick points. I don't think it's compelling to suggest that because other nations are not engaging in coercive practices and China is the only one that just because it is only China, a fifth of the world's population, that somehow those wholesale violations of womens' rights don't count, or don't count as much.

Secondly, I think there is a suggestion that because the pressure has not yielded the results that we had hoped, therefore the pressure should not be continued is also flawed.

I think we need to maintain the principal that family planning must be voluntary, and that any kind of coercion is absolutely objectionable. We need to disassociate ourselves from any organization that is supporting or co-managing such coercion.

Chairman FASCELL. The gentleman's time has expired. The question is on agreeing to the Kostmayer amendment.

Mr. LANTOS. Mr. Chairman.

Chairman FASCELL. Mr. Lantos.

Mr. LANTOS. I ask for recognition.

Chairman FASCELL. Mr. Lantos.

Mr. LANTOS. Thank you, Mr. Chairman. I intend to vote for the amendment for many of the reasons that were discussed. I would like to ask Mr. Kostmayer whether this represents earmarking or not?

Mr. KOSTMAYER. It does.

Mr. LANTOS. May I then ask how this earmarking is distinguished from the general concept of earmarking that I take it Mr. Kostmayer opposes?

Mr. KOSTMAYER. Well, this is the creation of one of the five accounts which have existed for some years in the bill, but I suppose, to be candid, it is earmarking in that sense.

My concern is that if it is not earmarked, the administration won't spend it accordingly.

Mr. LANTOS. That is precisely the concern of others of us with respect to other earmarks, and I want to thank my friend for his candor in admitting that opposition to earmarking is hypocritical on the part of all those who choose to earmark for purposes that they find necessary.

Thank you, Mr. Chairman.

Chairman FASCELL. The question is—

Mr. KOSTMAYER. Mr. Chairman.

Chairman FASCELL. Mr. Kostmayer.

Mr. KOSTMAYER. I thank the gentleman from California for his support, I think. [Laughter.]

VOTE ON THE KOSTMAYER AMENDMENT

Chairman FASCELL. The question is on agreeing to the Kostmayer amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All opposed, no.

[Chorus of noes.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Mr. Yatron.

YATRON AMENDMENT—PROPORTIONATE SHARE WITHHOLDING FOR INTERNATIONAL ORGANIZATIONS

Mr. YATRON. I have an amendment at the desk.

Mr. BRADY. The amendment offered by Mr. Yatron, page 36, strike out lines 10 through 19 and—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and the gentleman from Pennsylvania is recognized in support of his amendment.

[The amendment of Mr. Yatron follows:]

ICA91A022

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. YATRON

Page 36, strike out lines 10 through 12 and insert in lieu thereof the following:

- 1 (d) DESIGNATION OF PROGRAMS AND PROJECTS.--Subsection
2 (a) applies with respect to programs for Cuba, Iran, Libya,
3 or the Palestine Liberation Organization and to projects
4 whose purpose is to provide benefits to the Palestine
5 Liberation Organization or entities associated with it.

Page 35, line 19, strike out organizations or projects described in subsection (d). and insert in lieu thereof or organizations or for projects described in subsection (d). This prohibition applies notwithstanding any provision of law that earmarks funds under this chapter for particular international organization or program.

Page 36, beginning in line 7, strike out the purposes described in subsection (a) and inserting in lieu thereof program or projects described in subsection (d)

Mr. YATRON. Thank you, Mr. Chairman. The current law withholds the proportionate share of United States funds to United Nations programs which directly or indirectly benefit PLO, Libya, Iran or Cuba.

The administration's rewrite proposal contained in the mark-up bill before us retains the current prohibitions but gives the administration the authority to drop any designated country or organization without prior congressional approval.

Now, my amendment essentially retains the current prohibition and tracks the administration's language, but deletes the provision which allows the administration to drop any of the organizations or countries on the list.

Mr. Chairman, this prohibition represents longstanding U.S. policy. If the administration is contemplating taking Iran, Cuba or the PLO off the list, it should seek congressional approval by repealing the law.

Such a change would constitute a major policy shift and Congress should be involved in such a decision.

Mr. LANTOS. Mr. Chairman.

Chairman FASCELL. Mr. Lantos.

Mr. LANTOS. Mr. Chairman, I want to commend the distinguished chair of the subcommittee on human rights for a most important amendment, and ask my colleagues to support it.

VOTE ON THE YATRON AMENDMENT

Chairman FASCELL. Is there further discussion? If not, the question is on agreeing to the Yatron amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no. The ayes have it, the amendment is agreed to.

The committee stands adjourned.

[Whereupon, at 1:30 p.m., the committee adjourned.]

AUTHORIZATION REQUEST FOR FOREIGN ASSISTANCE FOR FISCAL YEARS 1992-93

TUESDAY, MAY 14, 1991

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met in open markup session at 11:30 a.m. in room 2171, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

TITLE I

Chairman FASCELL. The committee will come to order.

We meet today to continue the markup on the foreign aid bill. The Chair has an amendment on page 24, after line 7. The clerk will report the amendment.

FASCELL AMENDMENT—ASSISTANCE FOR DISPLACED CHILDREN

Mr. BRADY. The amendment offered by Mr. Fascell. Page 24, after line 7, insert the following new paragraph.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and open for amendment.

[The amendment of Mr. Fascell follows:]

MAY 9, 1991

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. FASCELL

Page 24, after line 7, insert the following new paragraph (5):

"(5) Activities to address the health, education, nutrition, and other special needs of displaced children who have been abandoned or orphaned as a result of poverty, or manmade, or natural disaster.

Redesignate existing paragraphs (5) through (16) as paragraphs (6) through (17), respectively.

Chairman FASCELL. I recognize myself for a minute or two.

Our colleagues, the chairman of the Appropriations Subcommittee on Foreign Operations, Mr. Obey, and Mr. Lehman, also on the Appropriations Committee, asked us to consider this authorization. I consider this an act of cooperation, and that is the reason I am pleased to offer this amendment.

The Appropriations Committee for the past four years has earmarked funds for orphaned and displaced children out of the disaster assistance account. Putting this language in the authorization bill will allow these activities to be integrated as part of the development assistance program. It is estimated that there are about 5

million children worldwide who are abandoned, living on city streets around the world. A.I.D. and UNICEF and non-governmental organizations are just beginning programs to address the needs of these children, who I think certainly by any standards would be considered among the poorest of the poor.

So, this language is done to lay the legislative authorization base for the money that has been earmarked by the Appropriations Committee, and it is being done at their request.

Mr. Smith.

Mr. SMITH of New Jersey. Mr. Chairman, I want to thank you for this amendment. I think it is an excellent one.

I would like to ask that—in consultations with the staff, there apparently may be a problem with some of the disaster money from being used in those countries that are currently barred from being recipients of U.S. funds.

We discovered that may have been a problem with regards to the Iraqi disaster aid and I would hope that Title I might remain open so that if any clarifying language is needed relevant to disaster aid, that might be provided.

Chairman FASCELL. We will certainly do that in case that has to be done.

Mr. SMITH of New Jersey. Thank you.

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. Is there further discussion on this amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Now, who has the next amendment?

Mr. SMITH of New Jersey. Mr. Chairman?

Chairman FASCELL. Mr. Smith.

SMITH AMENDMENT—HEALTH AND CHILD SURVIVAL ACTIVITIES

Mr. SMITH of New Jersey. Thank you, Mr. Chairman. I have an amendment at the desk.

Chairman FASCELL. Is this the one on page 26?

Mr. SMITH of New Jersey. Yes, it is.

Mr. BRADY. Amendment offered by Mr. Smith.

Mr. SMITH of New Jersey. Mr. Chairman, I ask unanimous consent that the—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, open for amendment.

[The amendment of Mr. Smith follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. SMITH OF NEW JERSEY

Page 26, strike out lines 8 through 12 and insert in lieu thereof the following:

1 "(a) HEALTH AND CHILD SURVIVAL. --

2 "(1) AGGREGATE EARMARK. -- Of the amounts authorized to be
3 appropriated by section 1202, not less than \$265,000,000 for each
4 of the fiscal years 1992 and 1993 shall be available only to carry
5 out paragraphs (3) and (4) of section 1201 (d).

6 "(2) FUNDING TARGETS. -- The Administrator should target not
7 less than the following amounts of the funds authorized to be
8 appropriated by section 1202 for each of the fiscal year 1992 and
9 1993 for assistance under the following paragraphs of section
10 1201(d):

11 "(A) To carry out paragraph (3), relating to
12 health, \$135,000,000.

13 "(B) To carry out paragraph (4), relating to
14 child survival activities, \$130,000,000.

Mr. FASCELL. The Chair recognizes the gentleman in support of his amendment.

Mr. SMITH of New Jersey. Thank you, Mr. Chairman.

Mr. Chairman, the amendment I am offering today establishes an aggregate earmark for both child survival and health. My colleagues may recall that this is very similar to the amendment that I offered and was adopted by this committee back in 1989.

Specifically, the amendment includes health initiatives in the earmark established for child survival activities and sets the level of funding at the total of the Human Rights Subcommittee's funding for child survival and the current year's level for health, for a total of \$265 million.

During consideration of this bill in the Subcommittee on Human Rights and International Organizations, the subcommittee adopted my amendment which earmarked \$130 million for the child survival fund. This increase in funding for child survival is expected to be reflected, Mr. Chairman, in the committee report language recommending a target of \$250 million for overall spending for child survival activities.

Mr. Chairman, since 1985, child survival activities have been highlighted within our foreign assistance programs because of the efforts by Congressman Gus Yatron and Jerry Solomon and yourself to establish the Child Survival Fund.

Child survival activities are simple, they are low-cost and readily available technologies such as basic immunization against tetanus, measles and other childhood diseases and oral rehydration salts which effectively combat acute, dehydrating diarrheal disease.

The success stories of the child survival revolution could fill volumes, Mr. Chairman. We have many more goals to meet, though, by the year 2000.

As highlighted by the World Summit for Children last September, the international health community is striving to halve the global maternity mortality rates, to halve the level of severe and moderate malnutrition among the world's children under the age of five, and to provide broad access to prenatal care for all mothers, eradicate polio and neonatal tetanus, halve the number of child deaths caused by diarrhea and to reduce significantly the number of cases of measles.

Mr. Chairman, I would ask that my full statement be made part of the record.

[Statement of Mr. Smith follows:]

PREPARED STATEMENT OF HON. CHRISTOPHER SMITH

Mr. Chairman, the amendment I am offering today establishes an aggregate earmark for both child survival and health. My colleagues may recall that this is very similar to the amendment, that I offered and was adopted by this Committee in 1989. Specifically, the amendment includes health initiatives in the earmark established for child survival activities, and sets the level of funding at the total of the Human Rights Subcommittee's funding for child survival and the current year's level for health, for a total of \$265 million. During consideration of this bill in the Subcommittee on Human Rights and International Organizations, the Subcommittee adopted my amendment which earmarked \$130 million for the Child Survival Fund. This increase in funding for child survival is expected to be reflected, Mr. Chairman, in Committee Report language recommending a target of \$250 million for overall spending for child survival activities.

Since 1985, Mr. Chairman, child survival activities have been highlighted within our foreign assistance programs because of the efforts by Congressman Gus Yatron and Jerry Solomon, and others, to establish the Child Survival Fund. Child survival activities are simple, low-cost and readily available technologies, such as basic immunization against tetanus, measles and other childhood diseases, and oral rehydration salts which effectively combat acute dehydrating diarrhea.

The success stories of the child survival revolution could fill volumes, Mr. Chairman. We have many more goals to meet, though, by the year 2000. As highlighted by the World Summit for Children last September, the international health community is striving to half the global maternal mortality rates, half the level of severe and moderate malnutrition among the world's children under five, provide broad access to prenatal care for all mothers, eradicate polio and neonatal tetanus, half the number of child deaths caused by diarrhea and reduce significantly the number of cases of measles.

Mr. Chairman, the U.S. foreign assistance budget must continue to reflect these worth objectives.

Mr. Chairman, the health initiatives are natural companions to the child survival activities. In addition to the primary care initiatives, the child survival objectives are enhanced by general health interventions. AID health projects include water and sanitation projects which help combat water-borne diseases, and research and development of vaccines for diseases all too common in developing countries, such as malaria, measles, whooping cough.

One of the most important components of the child survival and primary health interventions is the prominence which should be given to maternal, prenatal and neonatal health care. While astounding results have been accomplished by the silent child survival revolution of the last decade, as many as 50% of infant deaths occur in the first 28 days after birth, and

these extremely vulnerable lives are not affected to a large part by current child survival activities.

Effective prenatal care can help enhance the lives of unborn children and directly prevent the death of hundreds of thousands of mothers in developing countries who die annually from tetanus infections, and hemorrhaging which is closely tied to anemia. Tetanus toxoid immunization for mothers, and optimally for all women of childbearing age, is especially important in a well-balanced maternal and prenatal health regimen. Not only do mothers benefit from tetanus vaccinations but newborns inherit the life-saving immunization as well. Food supplements and better general maternal nutrition, not only keep mothers strong and healthy throughout their pregnancy but also help nurture normal birth weight children and promote intrauterine growth.

Under current authorities, child survival activities and health initiatives are funded separate functional accounts. While child survival activities and primary health care initiatives complement each other, this amendment combines the two into one. Mr. Chairman, I believe establishing this priority within our foreign assistance budget is critical to maintaining the U.S. commitment to the health needs of children and their mothers, and their families. We must use this opportunity to clearly set these priorities for our monies going to the developing world.

I understand my colleague, Mr. Weiss, plans to offer an amendment to my amendment furthering reducing the number of current earmarks on AID's funding. I appreciate Mr. Weiss' working with me on coordinating his amendment. Mr. Chairman, I will accept Mr. Weiss' amendment which establishes a priority for AIDS funding and reflects this priority in raising the overall earmark established in my amendment.

Mr. SMITH of New Jersey. I think that this is the kind of amendment that the committee can support. I would point out finally for the record that as many as 50 percent of the child deaths that occur in the world occur in the first 28 days after birth and, unfortunately, this has been a segment of the population that has been largely neglected.

Hopefully, the new money that is being provided will be provided for neo-natal and some of the post-natal care that is so necessary to eradicate some of these childhood diseases.

It is a good amendment and I hope that the committee will support it.

Chairman FASCELL. Will the gentleman yield?

Mr. SMITH of New Jersey. I would be happy to yield.

Chairman FASCELL. I thank the gentleman for yielding and wish to commend him for his continuing interest and leadership on matters of this kind. I also wanted to ask a question.

Now, this amendment does not add any money to the bill, right?

Mr. SMITH of New Jersey. Only that money which had been worked out between staff at the—

Chairman FASCELL. So it puts \$135 million into the development assistance total.

Mr. SMITH of New Jersey. That is correct.

Chairman FASCELL. And that is in addition to the \$130 already earmarked.

Mr. SMITH of New Jersey. That is correct.

Chairman FASCELL. So this really gives the administration a larger pot from which to draw.

Mr. SMITH of New Jersey. That is the hope and the anticipated result.

Chairman FASCELL. Okay. I thank the gentleman.

Do you want to comment on this amendment, Mr. Weiss?

WEISS AMENDMENT TO SMITH AMENDMENT—HEALTH, CHILD SURVIVAL
AND AIDS

Mr. WEISS. I have a friendly amendment to the Smith amendment.

Chairman FASCELL. You are going to offer it to this amendment?

Mr. WEISS. Yes.

Chairman FASCELL. Okay. The Weiss amendment to the amendment.

Mr. BRADY. Amendment to the Smith amendment offered by Mr. Weiss.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and open for amendment.

[The amendment of Mr. Weiss follows:]

AMENDMENT TO THE SMITH AMENDMENT
OFFERED BY MR. WEISS

1 Strike Line 1, and add the following:

2 (a) HEALTH, CHILD SURVIVAL, AND AIDS.

3 Line 3, strike \$265,000,000 and insert in lieu thereof:

4 "\$327,000,000"

5 Line 5, after (4) insert:

6 ", and (5)".

7 After line 14, add the following:

8 "(C) To carry out paragraph (5), relating to acquired

9 immune deficiency syndrome (AIDS) prevention and control,

10 \$62,000,000."

Chairman FASCELL. The Chair recognizes the gentleman from New York in support of his amendment.

Mr. WEISS. Thank you very much, Mr. Chairman.

First, I would like to commend Mr. Smith for his well-known and longstanding commitment to promote child survival activities in our foreign assistance programs. His amendment, which attempts to ensure that child survival activities are adequately funded, is an important one which I wholeheartedly support.

I would like to propose a slight modification to his amendment, a modification which will not in any way deviate from the gentleman's intention regarding child survival activities.

My amendment would consolidate all three health-related activities: child survival, health and AIDS, into a single earmark. Within that earmark, the amendment would then place target funding levels on each of these activities.

My amendment increases the overall health-related earmark to \$327 million and adds a target amount for AIDS activities at the level assumed in the committee print, \$62 million.

Mr. Chairman, my amendment has two main purposes.

First of all, I believe this is the most rational approach to the issue of earmarking. If the committee intends to support earmarks, we should consolidate related accounts to the extent possible.

Second, my amendment adds what I believe will be one of the most important issues we will face in the coming decade, the spread of the AIDS epidemic in the developing world.

So I thank you, Mr. Chairman. I urge my colleagues to support this amendment to the Smith amendment.

VOTE ON THE WEISS AMENDMENT

Chairman FASCELL. Is there further discussion on the Weiss amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the Weiss amendment to the Smith amendment.

All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

VOTE ON THE SMITH AMENDMENT AS AMENDED

The question now occurs on the Smith Amendment as amended.

All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to as amended.

Mr. ROTH. Mr. Chairman? I have an amendment at the desk. I do not know just what order you are taking them.

Chairman FASCELL. Well, we are still in Title I, Mr. Roth.

Mr. ROTH. It is in this title.

Chairman FASCELL. I have agreed to recognize Mr. Yatron.

YATRON AMENDMENT—FY 1993 FUNDING FOR UNEP AND UNDP

Mr. YATRON. Mr. Chairman, I have an amendment at the desk.

Chairman FASCELL. The Yatron amendment, please.

Mr. BRADY. Amendment by Mr. Yatron. On page 34, on line 9—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for amendment.

[The amendment of Mr. Yatron follows:]

AMENDMENT BY MR. YATRON

On page 34:

1. On line 9 strike \$300,612,000 and insert in lieu thereof: "\$317,612,000"
2. Strike lines (34 through 15 and insert in lieu thereof:
 - "(1) \$125,000,000 for fiscal year 1992 and \$135,000,000 for fiscal year 1993 shall be for the United Nations Development Program;"
3. Strike lines 19 through 21 and insert in lieu thereof:
 - "(3) \$18,000,000 for fiscal year 1992 and \$25,000,000 for fiscal year 1993 shall be available for the United Nations Environmental Program;"

Chairman FASCELL. The Chair recognizes the gentleman from Pennsylvania in support of his amendment.

Mr. YATRON. Thank you, Mr. Chairman.

This amendment increases the earmark for UNDP to \$135 million and UNEP to \$25 million for fiscal year 1993. This amendment does not increase the fiscal year 1992 recommendations.

Both of these organizations are well run and are currently playing significant roles in the Persian Gulf. UNDP has taken the lead in reconstruction efforts and humanitarian relief for the U.N. in the Gulf and UNEP is providing assistance and expertise in environmental cleanup matters.

Mr. Chairman, the U.S. contribution to UNDP in 1985 was \$165 million. Due to budgetary restraints, our contribution has been steadily decreasing. The Administration in the fiscal year 1992 request is seeking to increase our contribution over the current fiscal year.

My amendment seeks to build on this upward trend and we are increasingly relying on both of these organizations to serve U.S. interests in the world community and I urge my colleagues to support this amendment.

Thank you.

Mr. OWENS. Mr. Chairman?

Chairman FASCELL. Mr. Owens?

Mr. OWENS. Mr. Chairman, I want to commend Chairman Yatron for his amendment to increase U.S. voluntary contribution to these two really important U.N. programs—the U.N. Development Program and the U.N. Environmental Program.

U.N.D.P. coordinates technical assistance for the entire United Nations system, placing emphasis on, of course, the neediest countries. It has more than 100 field offices. UNDP helps host governments define development goals and formulate very important comprehensive development plans.

This increased contribution for fiscal year 1993, the out year, will help us to maintain a strong United States leadership role under the capable administration of Administrator Draper.

We are just finally with these new figures reapproaching the levels of the mid eighties in terms of our contributions.

I am also delighted that Chairman Yatron has moved to increase the markup and our contribution for the United Nations Environmental Program. It is \$2 million this year, which we have found in the budget, but it also increases it next year by \$7 million in the out year, up to \$25 million for fiscal 1993.

This program focuses on the most severe, most important global concerns in the world: global warming, ozone depletion, acid rain, pollution, shortage of potable water, human impact on the oceans and coastal areas, desertification and deforestation, biological diversity and disposal of hazardous waste.

So, Mr. Chairman, I am really pleased to commend Mr. Yatron for this far reaching amendment. This money for the out year—when the Administration sends up its budget, I am confident we can find it. They have not sent their budget yet but for 1993 that is still very much at issue and findable.

And I commend and support the gentleman.

Chairman FASCELL. Well, I want to thank the gentleman.

Mr. DYMALLY. Mr. Chairman?

Chairman FASCELL. Let the Chair comment on this before you get to your amendment, Mr. Dymally.

I want to add my comments to what you have said, Mr. Owens, on the importance of these amendments.

It is very important to have recognition here in the out years for this effort because these organizations carry out initiatives supported by this committee with respect to U.S. leadership and participation in the international environmental community. And UNEP has played a vital role in catalyzing that effort.

They were largely responsible for the 1985 Vienna conference, the Montreal protocol on CFCs, and we are really just now beginning to mobilize the world in addressing these environmental problems. And as hard as we work in this country, it does not mean a thing if we cannot get the rest of the world committed to solving these environmental problems with us.

Take, for example, an issue such as dumping heavy metals into the ocean. No matter how hard we work to clean up our own water in this country, if some other country is dumping heavy metal into the waters and polluting the waters and also the fish that we eat, we are really not making much progress.

So this really is an important matter, and I am glad to support the gentleman's amendment.

Mr. Dymally?

DYMALLY AMENDMENT TO YATRON AMENDMENT—UNITED NATIONS UNIVERSITY

Mr. DYMALLY. Mr. Chairman, I have an amendment to Mr. Yatron's amendment.

Chairman FASCELL. The Dymally amendment.

Mr. BRADY. Amendment offered by Mr. Dymally to the amendment offered by Mr. Yatron. At the end of the amendment add—
 Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and the gentleman is recognized in support of his amendment.
 [The amendment of Mr. Dymally follows:]

AMENDMENT OFFERED BY MR. DYMALLY TO THE AMENDMENT OFFERED BY MR. YATRON

At the end of the amendment add: On page 35 immediately after section 1402(b)(5) add the following new subsection:

"(6) \$500,000 for fiscal year 1992 and \$1,000,000 for fiscal year 1993 shall be for the United Nations University."

Mr. DYMALLY. Thank you very much, Mr. Chairman.

The United Nations University is the principal academic research organ of the U.N. which focuses intellectual resources from all nations on the world problems.

Having scholars on its governing council rather than nations and funding this program through an endowment helps ensure academic autonomy.

I note with some concern that the United States is not a donor to the university and, Mr. Chairman, in asking for this modest amount, I would like to ask that a small sum of the funding be made available to the Institute for Natural Resources in Africa.

The program began this year in 1991 to strengthen the capacity of 50 indigenous African universities and research institutions. It is headquartered in Kenya until it moves its permanent facilities to Ghana. Its work plan includes working with American land grant colleges, UNEP, UNDP and other relevant institutions. I ask for an aye vote.

Mr. LAGOMARSINO. Mr. Chairman?

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. I was going to ask this question about Mr. Yatron's amendment but I think it is perhaps even more relevant to the amendment to the amendment.

Under the committee rules, as I understand them, if someone seeks to add additional money, do they not have to find someplace else from which that will come?

Chairman FASCELL. Well, we are not adding it to the 1992 monies—

Mr. LAGOMARSINO. Well, Mr. Dymally does.

Chairman FASCELL. Well, then it will have to be reconciled at the end of the bill. Yes. Absolutely.

Mr. LAGOMARSINO. Okay.

Chairman FASCELL. I think that in the reconciliation so far, Mr. Lagomarsino, that this is accounted for. But in any event, it will have to be definitely reconciled at the end of the bill.

VOTE ON THE DYMALLY AMENDMENT TO THE YATRON AMENDMENT

Is there further discussion on the amendment to the amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the amendment.

All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

VOTE ON THE YATRON AMENDMENT AS AMENDED

The question now occurs on the amendment as amended.

All those in favor of the amendment as amended, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Mr. Roth was looking for recognition. I do not see him here. Perhaps the thing to do now is break for lunch. We are going to have to go answer a roll call shortly. We will come back at 1:30.

[Whereupon, at 11:49 a.m., the committee recessed, to reconvene at 1:30 p.m., the same day.]

Afternoon Session

Chairman FASCELL. The committee will come to order. Please close the doors and take seats, please.

Mr. Feighan.

NARCOTICS CONTROL PROVISIONS

Mr. FEIGHAN. Thank you very much.

Mr. Chairman, ordinarily we would be bringing the narcotics controls provisions at this point before the committee since they affect Title I as well as several other titles.

We received a very substantial proposal for a redrafting of many of those provisions from the administration about two weeks ago and we are still in the process of reviewing those with members of the Narcotics Control Task Force. I would expect that we will be prepared to submit the entire package affecting Titles I, II, IV and VII at the end of this week or the beginning of next week at the very latest.

Chairman FASCELL. Okay. We will note your reservation with regard to the narcotics package as it may affect other titles. Please try to get it in as soon as possible.

Mr. FEIGHAN. We will. Thank you, Mr. Chairman.

Chairman FASCELL. All right. Mr. Roth?

ROTH AMENDMENT—HOUSING LOAN GUARANTEE PROGRAM

Mr. ROTH. Thank you, Mr. Chairman.

Mr. Chairman, I think you are going to like this amendment because it has no earmarking.

Mr. Chairman, maybe I can explain the amendment.

Chairman FASCELL. Well, let us get it distributed first and have the clerk report it.

Mr. BRADY. Amendment offered by Mr. Roth. On page—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for amendment and discussion.

[The amendment of Mr. Roth follows:]

AMENDMENT TO THE COMMITTEE PRINT OF MAY 6, 1991, OFFERED BY MR. ROTH

On page 43, line 26, strike "\$3,400,000,000" and insert in lieu thereof "\$2,558,000,000".

On page 44, strike lines 3 through 6, and redesignate subsequent subsections accordingly.

On page 47, after line 4, insert a new subsection as follows:

"(t) **PROHIBITION ON NEW GUARANTEES.**—No new guarantees shall be issued under this section (or under the former guarantee authorities of section 222 or 222A of this Act or predecessor guarantee authorities) after September 30, 1991."

Chairman FASCELL. Mr. Roth.

Mr. ROTH. Thank you, Mr. Chairman.

My amendment addresses one of the most glaring and misplaced priorities in this bill and that is the housing guarantee program.

For 25 years, the United States has provided nearly \$2.5 billion in mortgage guarantees around the world in some 40 countries. The committee bill proposes another \$150 million in guarantees in each of the next two fiscal years. In other words, another \$300 million in U.S. taxpayer liabilities.

My amendment would impose a moratorium cancelling the authority of any new guarantees after September 30th of this year. This amendment maintains a current guarantee ceiling of \$2.5 billion. That means that all of the existing guarantees remain in effect and it does not affect any of the guarantees which are planned to be issued during this fiscal year. It simply says that no new guarantees are to be issued after September 30.

And consistent with a moratorium, my amendment leaves in place the administrative authority and the administrative funds for this program and that means that the existing guarantees can be properly administered and the United States can meet any existing obligations under the present guarantees. If Congress wants to come back later to authorize new guarantees, it can do so without having to recreate the program.

A second reason to vote for my amendment is that the \$300 million in this bill would not just go to developing countries, which is the purpose of the program, but basically it goes for many other countries, it goes, for example, for Portugal and that is to be credited as a developing country. It is a member of the European Community—that is, Portugal—and is slated to get some \$20 million in guarantees.

The EC is richer than the U.S. It is as if taxpayers in France were giving 100 percent guarantees to housing for people here in Washington. We should live so long.

Also, countries like Tunisia, Morocco, Paraguay, Chile—are these developing countries? Yet each are on the list for the next two years. So even if you believe in the U.S. aid for developing countries, if that is appropriate, AID is in my opinion misdirecting this program away from its purpose. And the problem also argues in favor of a moratorium.

Finally, consider the facts of the housing crisis here in our own country. HUD's latest housing survey shows a \$13 billion shortfall—\$13 billion shortfall in housing for some 5 million Americans who have the worst housing problems. Only a quarter of the poverty level American households are able to get any Federal housing assistance. Nearly 8 million households below \$10,000 in income have no housing assistance because of funding shortfalls.

HUD estimates that we need nearly \$4 million new affordable rental units for those in need. A recent MIT study estimated that by the end of this decade, some 17 million Americans will not be able to find housing that they can afford.

Is it not time we start addressing the needs of our own people? I have served on the housing subcommittee last year. We worked hard to improve our housing programs but the need is still unmet because of budget shortfalls.

In the face of this growing problem here at home, how can this committee in good conscience commit the American taxpayers to more housing guarantees in other countries and put these other nations ahead of our own people?

I urge support for my amendment to put a moratorium on this program and to preserve our options for later guarantees. We have a deficit now approaching \$300 billion. We have total national debt of \$2.2 trillion and we have liabilities of some \$6 trillion. That is our total gross national product for a year. And at some point, we have to think about what we are doing.

It may be a strange notion on Capitol Hill but, you know, actions do have consequences and I ask the members of this committee, some of our most astute Members in the Congress, to consider this amendment in the long range interests of the United States.

Mr. GEJDENSON. Mr. Chairman.

Chairman FASCELL. Mr. Gejdenson.

Mr. GEJDENSON. Mr. Chairman, I would like to support Mr. Roth's concern for the lack of a housing program here in the United States. I think he is absolutely correct that we ought to have a housing program that provides housing assistance for middle and low income people where it is necessary. I think it is an outrage that we see in this country, people sleeping on street corners due to a general lack of housing.

The fact of the matter is that I think he has picked the wrong place to cut. I would hope that in the defense bill when I move to close 100 foreign military bases, which is about \$140 billion of our money going to help West Germany and Japan, the wealthiest of our allies, that maybe he ought to look at cutting back there more.

And it seems to me that the answer to a lack of a Federal housing program for people in this country is not to cut a program that has really spent—and I appreciate my friend's sincere commitment here—a little over \$1 million a year in the last 25 years.

The cost of the program, while the guarantee numbers are large, is about \$30 million in the last 25 years. That is a lot of money but it is less money than we spend each year for bases in the Philippines trying to hold the Philippines together; it is less money than we spend for our bases in Spain or Germany or Japan; and if it helps—and let me just read him some of the countries we have

helped in the last couple of years with this program: Portugal, Morocco, Tunisia, Pakistan, Indonesia, India and Paraguay.

I would say that if it is worth \$600 million or \$800 million to keep the bases in the Philippines because it helps the Philippines, and compare that to the cost of this program over the last 25 years, that it makes sense to retain this program.

Now, I agree with him completely that we ought to have a real housing program to provide for people in this country. I think it is outrageous that hardworking, honest citizens cannot afford to get a home. And I will be happy to co-sponsor that and we will throw in a pound of cheese and a gallon of milk with it.

Mr. ROTH. Will the gentleman yield?

Mr. GEJDENSON. I would be happy to yield to my good friend from Wisconsin.

Mr. ROTH. I thank the gentleman from Connecticut for his comments and yes, I am going to support you in closing those bases.

The Philippines right now want \$896 million, as you had mentioned, and they said if we do not pay that, then we can sail home—let us wave bye bye and save some money for our country. We cannot keep spending when we have \$2.2 trillion debts and \$300 billions in deficits.

So I will give you my commitment that I will support your amendment and I hope you will support this one.

Thank you very much.

Mr. GEJDENSON. Thank you.

Chairman FASCELL. Let me add my support for the program and my opposition to this amendment.

I have a letter which I will put in the record from the National Association of Realtors, among others, who support the AID housing guarantee program because "it fosters policies overseas that we support and favors private property rights and private initiative * * * USAID's Housing Guarantee Program helps to satisfy the very basic need for housing worldwide. Its reliance on the private sector and the very modest cost involved make it a good investment for our country. The history of the program proves that AID can administer real development programs on other than a grant basis at a comparative savings to the taxpayer," et cetera, et cetera, but I will put the entire letter in the record.

[The information follows:]



**NATIONAL ASSOCIATION
OF REALTORS®**

The Voice for Real Estate™

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312 329 8578

The Honorable Dante Fascell
Chairman, House Foreign Affairs Committee
2354 Rayburn House Office Building
South Capital and Independence Avenues
Washington, D.C. 20515

May 13, 1991

Dear Representative Fascell:

As Executive Vice President of the NATIONAL ASSOCIATION OF REALTORS®, I am writing to help secure your support for the continuation of the housing programs conducted overseas by the United States Agency for International Development. It has been brought to my attention that an amendment to the Foreign Assistance Act has been introduced which would greatly restrict USAID's Housing Guaranty Program by limiting the program's contingent liability to its existing levels. The NATIONAL ASSOCIATION OF REALTORS® is strongly opposed to any legislative action which would weaken the Housing Guaranty Program and inhibit its efforts to provide shelter worldwide. The NATIONAL ASSOCIATION OF REALTORS® supports AID's Housing Guaranty Program because it fosters policies overseas we support in favor of private property rights and private initiative. Shelter and urban improvement are central to economic and democratic development throughout the world. USAID's Housing Guaranty Program helps to satisfy the very basic need for housing worldwide. Its reliance on the private sector and the very modest costs involved make it a good investment for our country. The history of the program proves that AID can administer real development programs on other than a grant basis at a comparative savings to the taxpayer.

As you are aware, the REALTORS® and other private organizations have and continue to undertake major efforts at substantial cost to help develop solutions to the critical and difficult world wide problem of adequate shelter. I enclose for your information Housing for All the Conclusions and Recommendations from the Third International Shelter Conference sponsored by NAR last year along with some 30 other organizations from other parts of the world. This document contains compelling arguments why the U.S. must play a leading role in housing matters worldwide. The NATIONAL ASSOCIATION OF REALTORS® will continue to play a strong role in developing public/private partnerships both here and abroad. We strongly believe that the United States should continue to support the Housing Guaranty Program and we ask your help again in this matter.

Very Truly Yours

 William D. North

cc: Representative William Broomfield
 Representative Toby Roth
 Representative Sam Gejdenson

Encl: Housing For All



Chairman FASCELL. Is there any further discussion on this amendment?

[No response.]

VOTE ON THE ROTH AMENDMENT

The question is on agreeing to the Roth amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[Chorus of noes.]

Chairman FASCELL. The noes have it and the amendment is not agreed to.

Now, the next amendment—Mr. Dymally has an amendment. What page?

Mr. DYMALLY. Page 34.

DYMALLY AMENDMENT—ELECTRONIC NETWORK FOR THE OAS

Chairman FASCELL. The Dymally amendment on page 34, please. The Chief of Staff will report the amendment.

Mr. BRADY. Amendment offered by Mr. Dymally, page 34, line 24.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for amendment and discussion.

[The amendment of Mr. Dymally follows:]

MAY 13, 1991

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. DYMALLY

Page 34, line 24, strike "and".

Page 35, line 4, strike the period and insert "; and".

Page 35, insert the following after line 4:

"(6) \$600,000 for fiscal year 1993 shall be for the Organization of American States for the purpose of establishing an electronic network for the exchange of information on science and technology among professors, researchers, and scientists at universities in the countries that are members of the Organization of American States.

Chairman FASCELL. The Chair recognizes Mr. Dymally for five minutes in support of his amendment.

Mr. DYMALLY. Mr. Chairman, the purpose of this assistance to the OAS is to create an electronic network of science and technology so that professors, researchers and specialists in universities in all of the member states of the OAS would benefit.

The administration supports the concept of establishing such a network and support has also been given for this initiative by the National Science Foundation and NASA. Both of these entities have agreed to give this proposed network a high capacity satellite channel free of charge for scientific applications.

And it is of interest to note, Mr. Chairman, that this authorization applies for the fiscal year 1993. This is designed to bring one university of each country of the region into a network with a budget of \$600,000. This budget would cover the costs for installation of communications, technical assistance, and the initial cost of leases of local and institutional communication lines, as well as the initial subscription to the network.

It is supported by the OAS and, as I said, the Administration has a keen interest in this.

I ask for an aye vote.

Mrs. MEYERS. Mr. Chairman.

Chairman FASCELL. Ms. Meyers.

Mrs. MEYERS. May I ask a question, please?

I know that this morning you said that programs that added money for 1992 would have to be reconciled—

Mr. DYMALLY. This is 1993.

Mrs. MEYERS. I understand that. However, I do think that the committee should know when the amendment is for 1992, what we took the money out of as well as what we are adding it to because that may influence some votes.

This morning I happened to support all of those amendments. I would like to know where we cut the money in order to come up with the \$150 million that we added this morning.

But now for 1993, what does this mean when we add \$600,000?

Mr. DYMALLY. Would the gentlewoman yield?

Mrs. MEYERS. If we do not have to reconcile it this year, when do we reconcile it?

Mr. DYMALLY. Next year.

Chairman FASCELL. If the gentlewoman will yield—there is no budget resolution ceiling at this point for fiscal year 1993. When the figure for the 150 account total is decided on, we in this committee may have to reconcile whatever has been agreed to in this bill for fiscal year 1993 to that number. But we cannot do that until we get there and we know what the number is. So we will have to have the president's fiscal year 1993 budget request and a budget resolution. When we know all of that, we will be able to do 1993.

With respect to fiscal year 1992, the bill is already over the budget resolution ceiling which we have agreed not to exceed, due to actions subsequently taken by the subcommittee. We will therefore need to reconcile any amounts above the budget ceiling. As we proceed, I would urge members who wish to add money to programs, to offer corresponding offsets so that we do not further exceed our budgetary ceiling.

Now, I realize that does not answer your question about whether or not by supporting a particular amendment you are in effect taking money from another program you also support. The only thing I can tell you is, unless the amendment specifies a corresponding offset, we cannot give you that decision because it has not been made yet.

If a proponent of an amendment says, "I want to add \$500,000—I am going to take \$500,000 from over here"—okay, now you have a choice. But if he just wants to add it on as part of the total reconciliation, take his chances, we cannot tell you exactly where it is coming from at that moment.

Did you want to add something to my comments? I am sorry, Mr. Dymally.

Is there further discussion on the Dymally amendment?

[No response.]

VOTE ON THE DYMALLY AMENDMENT

Chairman FASCELL. If not, the question is on agreeing to the Dymally amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

All right. Are there further amendments?

ROTH AMENDMENT—DEOBLIGATION OF UNEXPENDED FUNDS OBLIGATED BEFORE FISCAL YEAR 1989

Mr. ROTH. Mr. Chairman, I have another amendment at the desk.

Chairman FASCELL. Mr. Roth.

The Chief of Staff will report the Roth amendment.

Mr. BRADY. Amendment offered by Mr. Roth, page 63 after line 7, insert the following: Section 102. The obligation of unexpended balances of funds obligated before fiscal year 1989.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for amendment and discussion.

[The amendment of Mr. Roth follows:]

MAY 9, 1991

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. ROTH

Page 63, after line 7, insert the following:

SEC. 102. DEOBLIGATION OF UNEXPENDED BALANCES OF FUNDS OBLIGATED BEFORE FISCAL YEAR 1989.

(a) REQUIREMENT TO DEOBLIGATE.—Except as provided in subsection (b), any funds—

(1) that were obligated before October 1, 1988, for assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, and

(2) that are unexpended on the date of enactment of this Act,

shall be deobligated and deposited as miscellaneous receipts in the Treasury.

(b) TERMINATION EXPENSES.—Section 6105 of the Foreign Assistance Act of 1961, as enacted by title VI of this Act, applies with respect to funds described in subsection (a).

Chairman FASCELL. The Chair recognizes the gentleman from Wisconsin for five minutes in support of his amendment.

Mr. ROTH. Thank you, Mr. Chairman.

Mr. Chairman, I would hope that this would be an amendment that everyone would give a good deal of consideration to. It is an amendment drafted after the findings of GAO. It is a study that we of this committee requested and they came back to us. And what my amendment does, it reflects a GAO recommendation made to this committee last month in its report entitled "Foreign Assistance Funds Obligated That Remain Unspent For Years" and the title says it all.

My colleagues are aware that the foreign aid pipeline, the money appropriated in years past but not spent, now totals \$8.8 billion.

Again, we are short of funds. Last Thursday, when I was drafting this amendment, we were on the floor, people were wringing their hands, are we going to vote for a tax increase or are we going to

vote to have spending cuts and here we have \$8.8 billion that is in the pipeline. At the end of fiscal year 1989, the pipeline was \$8.5 billion and I asked GAO to update that figure through last September. They found that the pipeline grew by another \$300 million during fiscal year 1990. In other words, the situation is getting worse.

My amendment follows GAO's recommendation that any unused AID funds which are two or more years old should be cancelled and the authority be transferred back to the Treasury.

Now, my amendment also references various other sections dealing with the wind down period of eight months so that AID can withdraw from projects in an orderly manner. And our committee asked for this report and now that it is here, we should act on its findings.

And I ask that this committee endorse this amendment.

Mr. GILMAN. Will the gentleman yield?

Mr. ROTH. I would be happy to yield.

Mr. GILMAN. Does that include funds that are in the pipeline and that are obligated? Would you then be deauthorizing those funds?

Mr. ROTH. This only deals with unspent funds.

Mr. GILMAN. Well, many times—for example, Egypt we have found, has a good portion of its money in the pipeline and which has been obligated for projects but has not as yet been spent. They were in the planning stages and had earmarked these funds for a major project. Would your amendment include those unspent but obligated funds?

Mr. ROTH. If they were older than two years, yes.

Mr. GILMAN. I think that could create a problem for some of these long range projects that take quite a bit of time in the planning stage.

Mr. ROTH. Well, let me say this. If they are in the pipeline for more than two years, then I think Treasury should have the opportunity—AID certainly should have the opportunity to look at these projects again. At some point, we have to be fair to the people who are paying the bill in this country, which is the taxpayers.

Now, you people are opposed to any kind of caps on overseas housing, you are opposed to any kind of caps on everything. And then we go back home, we stand on the stump and say we are going to do something about these huge deficits we have. Now, at some point we have to walk our talk, do we not?

Mr. GILMAN. Well, if the gentleman will yield further—

Mr. ROTH. I would be happy to yield.

Mr. GILMAN. In many of our departments and agencies where we provide funding for projects, sometimes the planning process takes a considerable lengthy period of time. And if we have already authorized it and they are in the planning process and then we suddenly deobligate, we are going to create quite a bit of chaos.

Mr. ROTH. Well, I—

Mr. GILMAN. Would the gentleman consider amending his proposal—which I think is certainly worthwhile—if they are unobligated but are in the pipeline? I certainly would be supportive of such an amended version. But if they have been obligated already and it is a project that is ongoing, I think we ought to be cautious in how we approach that kind of a deobligation.

Mr. ROTH. Well, sure. Why do you not draft an amendment to that and I think that we could accept that.

Mr. GILMAN. Well, then my proposal would be to say—take your amendment, just say unobligated funds that are in your category. Just add the word “unobligated.”

Mr. ROTH. Well, we shall—yes, let us make that change in the amendment for unobligated funds.

Chairman FASCELL. Mr. Gilman? Mr. Gilman? May I suggest before you strike an agreement on obligated and unobligated funds in the pipeline, that we hear from AID.

I am a little bit confused, first of all, on exactly what it is that the Roth amendment does and I am not at all sure what your proposed amendment to the amendment would be.

Mr. GILMAN. I would be pleased to hear from the administration.

Chairman FASCELL. Can AID help us clarify this point?

While we are waiting on AID to decide who will clarify, we will put the executive summary from the GAO report on this issue in the record. The report is called, “Foreign Assistance—Funds Obligated and Remain Unspent for Years,” dated April 1991.

[The executive summary follows:]

Executive Summary

Purpose

As the post cold war era begins, the Agency for International Development (AID) confronts a changing international order in which increased demands for assistance can be expected. However, continued federal deficits mean that, more than ever, AID will be challenged to do more with less and must use its limited resources more effectively. A key resource is its \$8.6-billion pipeline of development assistance and economic support funds—unspent funds obligated to finance assistance projects and programs worldwide.

The Chairmen, House Committee on Foreign Affairs and the Subcommittees on Europe and the Middle East and International Economic Policy and Trade, House Committee on Foreign Affairs, were concerned about AID's management of these obligated but unspent funds and requested GAO to (1) determine whether the pipeline of unexpended funds exceeds the amount needed to carry out AID projects and programs, (2) determine what factors have contributed to the excess, if such an excess exists, and (3) examine AID actions that might help use pipeline funds more effectively.

Background

Congress appropriates foreign assistance funds and AID obligates them for specified development programs and projects, such as building roads in rural areas. Congress earmarks some funds and requires AID to use them for specified functions or countries. The funding pipeline is the difference, at any point in time, between the amount that AID has obligated for its activities and the amount it has spent on them.

To ensure that obligated funds do not simply accumulate in the pipeline but actively advance agency goals, AID's "forward funding guidance" limits to 1 year the amount of planned spending that can be obligated for ongoing projects. Construction and certain other activities can be funded in excess of this. To provide a conservative assessment of whether AID's pipeline was excessive, GAO generally allowed projects and programs to have up to 2 years of spending in the pipeline. Amounts beyond this were considered excessive.

Over 80 AID offices and missions fund overseas projects. GAO examined 103 projects at missions in six countries—Egypt, Guatemala, Honduras, Kenya, Pakistan, and the Philippines. These projects accounted for 33 percent of the funds in the pipeline at the end of fiscal year 1989.

Results in Brief

GAO found that \$296 million of \$2.8 billion in the pipeline of the six missions visited was not programmed to be spent within the next 2 years. Since these funds are not planned for use within 2 years, they represent a lost opportunity for AID to redirect scarce resources to higher priorities. An additional \$8 million at these missions was obligated for projects that had completed all activities by September 1989 or earlier. GAO found indications that excesses also exist at other missions.

Unrealistic or overstated implementation planning is the major factor contributing to projects having excess funds in the pipeline. Circumstances that AID cannot control, such as delays by host governments, also resulted in excess funding. AID has made limited use of its statutory authority to deobligate funds from slow or stalled projects, in part because host countries must agree to the deobligation.

Recently, AID introduced performance budgeting, which may help use the pipeline more effectively. Performance budgeting is designed to reallocate funds to countries that successfully implement policy reforms.

GAO's Analysis

AID's Pipeline Contains Excess Funding

The six missions that GAO visited had a range of from 5 to 21 percent excess funding in their pipelines as of September 30, 1989. Although the percentage of excess funds at the six missions cannot be projected worldwide, GAO's analyses suggest that pipelines are excessive at other missions and overseas offices. The analyses indicated that (1) 28 percent of the other missions had over 3 years of funding in their pipelines and (2) about 9 percent of the funds in the pipeline at other missions (\$417 million) was obligated in fiscal year 1984 or earlier.

Recent legislation requires AID to deobligate some funds in its pipeline. Public Law 101-510, section 1406, enacted on November 5, 1990, requires that appropriations that are available for a definite period be cancelled 5 years after the end of the last year in which they were available. This legislation requires AID to deobligate funds in the pipeline appropriated prior to fiscal year 1987 but does not apply to certain AID funds appropriated after fiscal year 1986. Beginning with fiscal year 1987, AID's appropriation acts have provided for certain foreign assistance funds to be converted to no-year appropriations and thus available for an indefinite period once obligated.

Executive Summary

AID guidance states that missions should deobligate funds in projects that are 9 months beyond the project completion date and cannot be justified. At the six missions, GAO found that \$8 million remained in such projects, in some instances because missions had waited over 2 years for final charges.

Overstated Funding Requirements

AID missions justify their annual budget requests to Congress based on spending plans in AID's Congressional Budget Presentation. Of the 44 projects with excess funds in the pipeline, 22 had excesses primarily because project officers were unrealistic about annual spending needs or deliberately overstated them. In some cases, projects were too complex to be implemented on schedule, causing obligated funds to build in the pipeline. In other cases, funding needs were overstated to obligate funds up-front and reduce the risks of not receiving funding later.

Limited Use of Deobligation Authority

Although AID has statutory authority to deobligate funds from projects with excess funds and reobligate them, it has deobligated only about 1 to 2 percent of the pipeline each year since 1984. Considering that GAO found 11 percent excess funds at the six missions, and nearly \$700 million obligated in fiscal year 1984 or earlier, this authority appears underutilized. According to AID officials, a major reason missions infrequently deobligate funds is because deobligations, unless specifically authorized in the project agreement, must be agreed to by the host government. AID encourages such agreements to include a standard provision allowing AID to unilaterally terminate projects, but does not require a standard provision allowing partial deobligation.

Performance Budgeting

According to AID, performance budgeting rewards good performance and will help more effectively use the pipeline. AID believes that since country performance will be monitored each year, missions have an added incentive to improve their programs. Since AID has recently introduced performance budgeting, it is too soon to provide an evaluation of its impact.

Recommendations

GAO recommends that the Administrator, AID,

- review the justifications for not deobligating funds in projects that are more than 9 months beyond the completion of activities, and deobligate the funds that cannot be adequately justified;

 Executive Summary

- require each AID mission and office to identify excess funds in the pipeline at the end of each fiscal year, provide a rationale for the excess, and direct the mission to take necessary steps to deobligate the funds if the rationale is not consistent with AID's guidance; and
- require that future AID project and program agreements contain a standard provision stating the conditions under which AID could unilaterally deobligate certain assistance funds. U.S. national interest or political considerations may affect AID's actual use of this management tool; nevertheless, a standard provision would provide leverage to move projects or programs in the right direction.

**Agency Comments and
GAO's Evaluation**

AID generally agreed with GAO's report and recommendations. AID observed, however, that mission directors in the field are best able to assess whether justifications are valid for not deobligating excess funds in the pipeline. GAO agrees that mission directors are best able to provide a rationale for excess funds in the pipeline, but believes it would be inappropriate for missions to justify the excess funds and judge the validity of the justification.

AID also commented that it already encourages missions to include a provision in project agreements for unilateral deobligation of funds. GAO notes that AID's guidance encourages but does not require missions to include a standard provision in project agreements allowing AID to unilaterally terminate projects, but not deobligate funds associated with ongoing projects. GAO believes that a required standard provision allowing for unilateral deobligations if projects are not meeting certain conditions during implementation would give AID more flexibility to effectively use U.S. assistance rather than terminate projects and programs.

AID indicated that although it has made progress during the past 2 years in reducing the aggregate pipeline, in its opinion, country earmarking and functional accounts are major contributors to pipeline buildup. GAO's analysis confirms that these factors contribute to funds remaining obligated but unspent for long periods; however, GAO believes its recommendations will help AID manage these funds more effectively.

Chairman FASCELL. And I am quoting now, of course, "GAO found that \$296 million of the \$2.8 billion in the pipeline of the six missions visited was not programmed to be spent within the next two years. Since these funds are not planned for use within two years, they represent a lost opportunity for AID to redirect scarce resources to higher priorities. An additional \$8 million at these missions was obligated for projects that had completed all activities by September 1989 or earlier." And, of course, they found the same problem in other missions.

Now, I do not see how the amendment gets at that problem. It seems to me that AID has the authority now under the law to redirect and establish new priorities if they find that money is laying in the pipeline for too long a period of time and the project for which the funds were originally intended is no longer viable. I do not want to be part of legislating, mandating, a wipeout of pipeline funds, regardless of the time period, without knowing the specific rationale, either on a case-by-case or a country-by-country basis, just what it is we are doing. Finally, I do not see how that saves any money if all you are doing is redirecting funds, unless you take it out. If you take it out, okay. Then I can understand the choice. But can AID help us on that?

Would you state your name and position for the record, please?

ADMINISTRATION POSITION ON ROTH AMENDMENT

Mr. HILL. My name is George Hill, Mr. Chairman. I am the Director of the Budget Office in AID.

Chairman FASCELL. Good. Tell us about this amendment. First of all, is my understanding of the GAO report accurate? And, secondly, what does the Roth amendment do?

Mr. HILL. The GAO report is accurate. The GAO also visited Egypt and a number of other countries which receive earmarked funds and since AID has no option but to obligate those funds in the country where they are earmarked, frequently projects are financed farther into the future than would normally be the case.

Chairman FASCELL. In other words, since the Congress, by earmarking, has taken away the flexibility—

Mr. HILL. To reallocate those funds for other uses.

Chairman FASCELL [continuing]. To reallocate outside of the country where the allocation occurs—

Mr. HILL. Right.

Chairman FASCELL [continuing]. The funds stay there longer than AID or anybody else would like? Is that what you are saying?

Mr. HILL. In a normal country situation, that would be an unusual pipeline and we would manage to reduce it. As I understand the bill proposed by Mr. Roth, it would in fact cause us to deobligate already obligated funds from all fiscal years prior to 1989.

The total AID pipeline at this moment is about \$8.6 billion. In 1989 and prior funds, we have about \$4.6 billion which are obligated but unspent. That \$4.6 billion worth of funds would be deobligated from current contracts or grants.

Chairman FASCELL. Did I understand his amendment to capture that money for the Treasury, take it out of the system? Is that correct?

Mr. HILL. That is what I understand.

Chairman FASCELL. Is that correct, Mr. Roth?

Mr. ROTH. Yes, that is right.

Chairman FASCELL. I see. Okay.

Any other questions of this witness?

Mr. GILMAN. Mr. Chairman, just so I am clear—you say there is some \$8 billion of funds that have not been spent for that period of time?

Mr. HILL. Yes, sir. That includes ESF and DA—all of our accounts.

Mr. GILMAN. And about half of those funds are obligated on some project?

Mr. HILL. They are all obligated under one project or another.

Mr. GILMAN. All \$8 billion?

Mr. HILL. Yes.

Mr. GILMAN. Are all obligated.

Mr. HILL. They are all obligated.

Mr. GILMAN. There is nothing that is in there that has been authorized that is not obligated?

Mr. HILL. Our definition of pipeline is obligated but unspent. We would not include as part of the pipeline funds which have been authorized but were not yet obligated.

Mr. GILMAN. Where would that be?

Mr. HILL. That would show as appropriated but not yet obligated.

Mr. GILMAN. Well, are there some funds that are appropriated and not yet obligated?

Mr. HILL. Yes, there are.

Mr. GILMAN. How much are those funds?

Mr. HILL. The total probably does not exceed about \$300 million, mostly economic support funds which were authorized for a two-year period and which were not obligated in the initial period of availability.

Mr. GILMAN. Well, I think—if I am not mistaken and if the gentleman will yield, that is what Mr. Roth is seeking to return to the Treasury, those funds that have been appropriated but not obligated. Is that correct?

Mr. ROTH. Well, what I was seeking to do is that the \$4.6 billion that has been in the pipeline for more than two years—when we are looking for every penny we can find to come back into the Treasury again. Maybe a part of the problem is we are earmarking too many funds in this committee. Of course, I would not want to say that, but it seems to me that could be part of the problem.

Mr. SOLARZ. Mr. Chairman?

Chairman FASCELL. Mr. Solarz.

Mr. SOLARZ. Thank you very much, Mr. Chairman.

The distinguished gentleman from Wisconsin may have performed a service to the committee by focusing attention via this amendment on the whole question of what happens to authorized but unobligated funds. And it may well be that we ought to look into that. It may well be that some abuses exist. But I must say that I think the adoption of this amendment at this time would be unwise.

First of all, as I am sure my very good friend from Wisconsin knows, it is not at all unusual in other departments of the Govern-

ment to get authorizations for programs in which it takes several years to disburse the money. This is certainly true of the Department of Defense.

When we decide to purchase a new aircraft carrier, for example, we forward fund it. We will authorize \$5 billion up front and then that is spent out over several years. At any given time, the amount of unobligated monies in the DOD account literally dwarf the amount of unobligated funds in the AID account.

In the case of AID, as I understand it, there are many projects and programs which are designed to last for three to five years or perhaps even longer. As a consequence of which they are forward funded and the money is not actually spent until a few years after the time it has been authorized. That is not unusual.

If we were to adopt this amendment, a lot of very worthy projects and programs would be cut off in the middle. You would have half completed roads, bridges, schools, hospitals and the like. Of course, there would be a sign up "This half-built school was contributed courtesy of the American taxpayers whose patience wore thin and therefore that is why it was not finished."

So let me say finally to my—

Mr. ROTH. Would the gentleman yield?

Mr. SOLARZ. I will yield in just one second.

Let me say finally to my friend, to the extent that there are unobligated funds, I do not think it has anything to do with earmarking. It has to do with the way in which the Agency for International Development funds its programs, many of which are multi-year programs. So even when we do not earmark money for a country, if they have a program for which we have authorized funds, that can be a forward funded program and it takes several years to—

Chairman FASCELL. Will the gentleman yield?

Mr. SOLARZ. Yes.

Chairman FASCELL. You are absolutely right and that was the point that was being made. But it also makes the point that with the earmarking, AID does not have the flexibility, if the money is not being used, to go to some other country. But you are right in terms of the forward funding, within that country.

And the other problem you have, and I think we ought to get this on the record while we are discussing this very important issue, this is not loose cash lying around somewhere that in some way will enhance the Treasury if it is recaptured. This money has never left the Treasury to start with. It is still there. It has not been disbursed and therefore is being held on account. It has not been borrowed yet and therefore holding it is at no cost to the Government.

Mr. HYDE. Mr. Chairman.

Chairman FASCELL. Mr. Hyde.

Mr. SOLARZ. I think I still have some time left.

Chairman FASCELL. I am sorry.

Mr. SOLARZ. I will yield to my very good friends in just one second. I did want to make one additional point suggested by the Chairman's own sage observations.

As I understand it, if there are unobligated funds in the AID account which cannot be spent for some reason, they are generally reprogrammed for other AID projects, which serve useful purposes.

The gentleman's amendment would take this money out of AID and return it to the Treasury, which would diminish the limited resources we already have for foreign aid.

Let me just say to the gentleman as I yield that I certainly would join him in encouraging the Chairman or one of the relevant subcommittees to look further into this question of unobligated balances and whether, in fact, there may be some way to tighten procedures up—but I think this amendment is going after the problem with a meat ax when what we need is a little stiletto.

Chairman FASCELL. Mr. Hyde.

Mr. SOLARZ. I will yield—

Chairman FASCELL. I will give him his own time. Mr. Hyde?

Mr. HYDE. I will yield to the gentleman from Wisconsin.

Mr. ROTH. Thank you. I would like to say this, that this is not an amendment, just a by the seat of the pants amendment. I looked at this GAO study, the gentleman from New York, and I appreciated your comments. But this is a study that we of this committee asked GAO to do for us. They came back and they said, "Well, two years is an excessive period of time." And that is why this amendment addresses funds in the pipeline over that two-year period of time. I am just following the guidelines set forth by GAO.

And the reason I came up with this amendment is that I was thinking about it on the floor last Thursday when we were debating about whether we were going to have spending cuts or we are going to increase taxes. And people on the floor were screaming at each other. And I said, "My God—we have a bill over here that we are marking up that has over \$8 billion in the pipeline in it—\$4.6 billion over two years." The GAO would tell us this is excessive. We have a \$300 billion deficit this year.

Sure, the Chairman is correct and I can see that he is very astute. He said look, this money is not lying around. It just has not been borrowed yet. But, golly, if we borrow it, it is more to the deficit.

I mean when are we going to say that enough is enough? When the country is totally bankrupt?

Mr. HYDE. If I can recapture my time—and I agree completely with the gentleman from Wisconsin.

I think the effort being made is a very worthy one. The amendment may be too broadly drawn but I think we ought to enlist the help of AID as well as the GAO to look for these projects which have been authorized and possibly even funds obligated for them but are never going to be finished, that have fallen by the wayside, that circumstances have changed—there must be a reason why something—no activity in two years—maybe if you extended it to three years—but there must be a point where a recapture can be made.

Now, granted, you are not going to recapture the dollars but you can recapture the accounting on this and reallocate to some project that has a future. But the waste in foreign aid is something we just do not really look at. We do not exercise oversight over where this money goes or how it is spent. And we need the help of AID and of the GAO to find these failed projects, hollow projects, projects that no longer have a future and then figure out a way where what is

tied up, if it is obligated, where we can deobligate it and use the money in a more productive way.

I agree with the gentleman. There would be nothing wrong with money coming back to us and going to the Treasury and reducing the deficit but if we have turf concerns about it, then reallocate it for some useful project in AID or economic support.

But I think what he wants to do—and he is right—let us get current on this stuff and those things that are not being worked on and have no future, let us deobligate them.

Do you have projects that you have been looking at for years that are not going anywhere? You may be loathe to admit that, but is that not a reality?

Mr. HILL. Congressman, given the environment we operate in, I would never say that everything we planned always came out the way we planned it.

As a matter of fact, AID has the authority under current legislation to deobligate funds from non-performing projects. It is an authority that we believe is a significant management incentive and it is one which we have used at some length in the past. We have deobligated from a combination of ESF and development assistance money last year something over \$130 million in non-performing or terminated projects and reobligated that money into higher priority activities.

It is an authority that we value tremendously to provide our field managers an incentive to conduct the kinds of portfolio reviews that we believe need to be conducted in order to run a responsible program.

Mr. HYDE. Can we help you in that? Do those reviews? Do you have enough personnel taking a look at those non-performing projects?

Mr. HILL. Oversight of our portfolio is an active part of every manager's business in the agency.

Mr. HYDE. All right. Well, then, in other words, there is no problem? You have the authority already and you do reprogram it.

Mr. HILL. We have the authority and we make use of it.

Mr. HYDE. All right. Thank you.

Chairman FASCELL. I think the gentleman has raised a good question, which is whether or not AID really uses the authority enough. And what it takes is the kind of oversight that would allow us to go to every project and say, how come you did not reprogram this?

But you cannot do it with a meat ax, the way the gentleman from Wisconsin wants to do it. He just wants to clobber it all—good, bad and indifferent. I do not really think that is a wise thing to do.

Is there any further discussion on this amendment?

VOTE ON THE ROTH AMENDMENT

The question is on agreeing to the Roth amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[Chorus of noes.]

Chairman FASCELL. The noes have it and the amendment is not agreed to.

MEYERS AMENDMENT—REVERSAL OF MEXICO CITY POLICY

Mrs. MEYERS. Mr. Chairman?

Chairman FASCELL. Mrs. Meyers has an amendment.

Mrs. MEYERS. I have an amendment at the desk.

Chairman FASCELL. The clerks will distribute the amendment. The Chief of Staff will report it.

Mr. BRADY. Amendment offered by Mrs. Meyers. Page 26, after line 23. Insert the following. Section 120.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full, open for amendment and discussion.

[The amendment of Ms. Meyers follows:]

MAY 8, 1991

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MRS. MEYERS

Page 26, after line 23, insert the following:

"SEC. 120 . NONGOVERNMENTAL ORGANIZATION FAMILY PLANNING ASSISTANCE ACTIVITIES.

"Funds made available to carry out this title or chapter 1 or chapter 2 of title V that are made available for population activities shall not be denied to nongovernmental organizations or multilateral organizations on the basis of any criterion that is not applicable to foreign governments that receive such funds.

Chairman FASCELL. The gentlewoman is recognized for five minutes in support of her amendment.

Mrs. MEYERS. Mr. Chairman, this amendment, as I am sure most of the members are aware, would reverse the Mexico City policy.

Chairman FASCELL. Ms. Meyers, hold up just a minute. It is very difficult to hear you.

[Pause.]

Chairman FASCELL. Fine. Go right ahead.

Mrs. MEYERS. Mr. Chairman, this amendment would reverse the Mexico City policy.

The so-called Mexico City policy cripples American family planning efforts. When we on this committee decide whether to approve or disapprove a policy, we should first understand exactly what the policy says. And the Mexico City policy says that the United States shall give no family planning assistance to any non-governmental organization that uses its own funds for any abortion-related activity, including referring a woman to where she can get a legal abortion if she asks for the information.

The Mexico City policy does not affect the 33 governments that receive direct population assistance from the U.S. under bilateral agreements with AID. They can do anything they want with non-U.S. funds. But private organizations are discriminated against. There is absolutely no justification for this double-standard.

Private, indigenous family planning organizations are just as capable of meeting the same standards as governments in ensuring that no American money is used to promote abortion. To prohibit these private organizations from receiving American support is to hinder the most innovative and effective means of getting family planning information to the women of the developing world.

Some will say that the Mexico City policy does not prevent family planning because all of the money gets spent eventually on population programs and they are wrong. This policy prevents American aid to many countries where family planning is desperately needed.

Let us look at one organization that was defunded by the Mexico City policy, International Planned Parenthood Federation. Although the shortfall caused by U.S. withdrawal of funds was partially made up by other donors, IPPF was forced to cancel plans to establish family planning programs in almost a dozen countries, several of which do not have any AID programs.

Now, what were these countries and how badly do they need family planning?

Let me mention before I start talking about these percentages that if your population growth rate is 3 percent a year, your population doubles in 23 years. Now listen to these—these are the countries that are without our family planning assistance because of our Mexico City policy:

Malawi, with a birthrate of 52 per 1000 and an annual population increase of 3.4.

Niger, with a birthrate of 51 per 1000 and an increase of 3.3.

Chad, 44 per 1000 and an increase of 2.5

Guinea-Bissau, 43 per 1000 and 2 percent annual increase.

Angola, an increase of 2.8 percent.

Burundi, an increase of 3.2 percent.

Cameroon, with a rate of 2.6 percent annual increase.

Gabon, 2.3 percent increase.

Cape Verde, 3.2.

Sao Tome and Principe, 2.8 percent.

Equatorial Guinea, 2.6 percent.

Only Niger and Burundi have bilateral population agreements with AID although Chad, Malawi and Cameroon are serviced by organizations that follow the Mexico City policy. Is anyone going to say that the rest of these countries can do without any family planning assistance?

For six years, we have given no assistance to the most technically proficient and well organized groups that specialize in family planning. We have not been part of the solution, we have been part of the problem, and I hope that the committee will adopt this amendment.

Mr. SMITH of New Jersey. Mr. Chairman?

Chairman FASCELL. Mr. Smith.

Mr. SMITH of New Jersey. Thank you, Mr. Chairman.

Mr. Chairman, I believe there is a glaring inconsistency with attempts to reverse the Mexico City policy compared with the very laudable attempts that are being made by this committee, by AID, by the President, by NGOs and organizations like UNICEF to promote what we are calling the child survival revolution in the developing world.

It seems to me that abortion as a method of family planning—and that is what the Mexico City policy is all about—it seeks to condition funds to those organizations that promote or perform abortions as a method of family planning. And I would just, so the record is corrected, point out to my colleague that it does not pre-

clude any abortions whatsoever. Abortions for rape, incest and life of the mother are permitted under the standard clause of the Mexico City policy so those three instances are permitted under the policy.

The Mexico City policy, Mr. Chairman, recognizes that abortion as a matter of birth control, is not a wise policy and it treats abortion in those instances very seriously.

I would remind my colleagues and very often we forget exactly what abortion is, that abortion in some of the methods requires the injection of poisons, whether it be a salt solution or some other poison that literally chemically kills the baby. Another type of abortion, whether it be the suction or D&C abortion, literally rips the baby's body apart. These euphemistically are described as methods of family planning by those who are trying to change this particular policy.

I think the President is wise in recognizing the difference, that preventative means—that is to say, contraception, barrier methods, a whole host of preventative means—they are all permitted under the Mexico City policy and actively promoted. The taking of human life by way of abortion is not.

Mr. Chairman, the Mexico City policy in my view affirms our support for family planning worldwide. It should be noted that the U.S. Agency for International Development, the U.S. Government, provides about 45 percent of the family planning funds worldwide. We are the chief donor nation to family planning across the globe. We do it with a condition, though, that abortion should not be promoted as a means of family planning.

Our language, the President's Mexico City policy, tracks with the 1959 Declaration on the Rights of the Child, as well as the U.N. Convention on the Rights of the Child which stated specifically that the child by reason of his physical and mental immaturity needs special safeguards and care, including appropriate legal protection before as well as after birth.

The Mexico City policy also takes seriously the U.N. Population Plan of Action which was adopted by consensus by the delegates at the U.N. international conference in Mexico City in 1984 that stated that abortion "in no way should be promoted as a method of family planning."

I would also remind my colleagues that approximately 400 NGOs have agreed to the standard clause, the Mexico City policy, and currently are operating in 85 countries, including 36 in Africa.

Since 1981, we have spent \$2.6 billion on family planning, again, providing approximately 45 percent of the international population funds, the most of any other nation.

I would also remind my colleagues that the polls are beginning to show, as the pollsters break out the question of support or lack of support for so-called abortion rights, that the public does not support abortion as a means of family planning. The Gallup poll of February 28, 1991 found that 88 percent of the people of Americans do not support abortion as a means of family planning and that tracks with a Boston Globe poll of just two years ago that found that 89 percent of the people did not believe that abortion should be promoted as family planning.

Finally, if this or the other amendment that this committee dealt with the other day, refunding or providing new funds to UNFPA and essentially trashing the Kemp-Kasten anti-coercion policy in population matters, if either of these two policies are contained in perhaps this bill, this bill will be vetoed. The President has made that very clear. He vetoed the foreign ops bill in 1990 because of language similar and I would suggest to you that he has not changed his position and I would hope that this committee would reject this amendment.

But knowing the way members perhaps break down on the issue of abortion, I suspect it will prevail in this committee and we will reengage the fight when we reach the floor.

Chairman FASCELL. Mr. Hyde.

Mr. HYDE. Very briefly, Mr. Chairman, I oppose the gentlelady's amendment and I would just like to point out there are about 126 nations classified as less developed by the United Nations. Abortion as a method of birth control is legal in only 13 of these countries.

There are over 350 foreign family planning organizations that have signed the Mexico City clause and there are only two major organizations that dispense family planning and abortion that have refused: the IPPF of London and the Planned Parenthood Federation of America.

Now, both of these major organizations view it as their mission to undermine the anti-abortion laws of less developed countries. Many of these countries are either Moslem countries or Catholic and their anti-abortion laws should be presumed to reflect their legal, cultural and religious values. And I think it is clearly inappropriate for the United States to subsidize Planned Parenthood's cultural imperialism in trying to undermine these laws.

Now, last fiscal year, we contributed \$330 million to family planning. Clearly, we cannot solve the problem all over the world. Clearly, we cannot alleviate poverty all over the world, but we can try.

Right now, we are contributing 45 percent of the world's effort in family planning, the total effort. Now, to use money as a bargaining chip in negotiating what is fundamentally a moral and a political question in a sovereign nation seems to me a rather odious foreign intervention that we should not be a party to.

Family planning is important. There is a difference between contraception and abortion. Abortion as a means of family planning, in the opinion of millions of Americans, is wrong and their money should not be contributed towards the extermination of unborn children, whether they are in Botswana or the Andamen Islands or in the United States.

We are supportive of family planning—prevention of conception. Once conception has occurred, there is another entity to concern yourself with and that entity is not a nothing, no matter how humble its origins or environment.

Every nickel that is authorized, that is appropriated by this Congress, is spent on family planning. That it does not reach every country in the globe perhaps is a commentary on the rest of the world's lack of enthusiasm for this act of international good will. But what we are talking about are millions of dollars going to two organizations that are the biggest purveyors of abortion as a means

of retroactive contraception and I do not think this country has any business in doing that.

So that is my position. I have no illusions about how the vote is going to go in here. We will take it up on the floor.

Chairman FASCELL. I yield myself five minutes and yield it to the distinguished gentlewoman.

Mrs. MEYERS. Thank you, Mr. Chairman.

Well, Mr. Chairman, I am not talking about abortion here and I think that frequently when we talk about this issue it gets turned to the issue of abortion and we start describing how abortions are performed and that sort of thing.

I am not talking about abortion. I am talking about family planning. And I am sure that the money that we put into family planning is probably well spent, a great deal of it goes to clinics. I am sure that it is well spent. I am not at all sure that it is spent on family planning.

Some of the neediest countries in the world—in Bangladesh, the average number of children a woman has is five. They have an enormously high birth rate. We simply have to do a better job. And I do think that International Planned Parenthood does not endorse abortion as a means of family planning. That is a clever phrase—it is used over and over and over again but they do not use abortion as a means of family planning nor do they endorse abortion as a means of family planning. I am not talking about abortion, I am talking about what I think is the most important problem in the world.

The problem of overpopulation causes so much of the misery in the world and so much of the hunger and so much of the war and so much of the environmental degradation; and the United States simply does not have enough money to solve all of these problems in all of these countries. So we are going to have to turn our attention to the problem of population planning and working with these other countries.

With the Mexico City policy in place, there are a number of countries that we simply have no association with. We do not have an AID program there and we are not giving money to any of the organizations that provide family planning.

Mr. WOLPE. Would the gentleman yield further?

Chairman FASCELL. Yes.

Mr. WOLPE. I thank the Chairman for yielding.

I simply want to associate myself with the remarks of the gentlewoman from Kansas and to express my appreciation for her offering of this amendment.

The reality is that the more inhibitions that are placed in the way of family planning assistance, the more interference we offer up to organizations that are attempting to advance the family planning effort worldwide, the greater are the incidence of abortion. And so I think the gentlewoman's amendment is very constructive. I hope it will enjoy the overwhelming support of this committee.

Mr. HYDE. Would the gentleman yield just a minute?

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

Mr. HYDE. I just want to say a couple of things to my friend, the gentlelady.

I am totally sympathetic with her point of view and I do not mean this pejoratively, but sometimes we tend to look at families that are poor that have a lot of children as handicapping themselves. There are other cultures in the world where children are their only wealth, the only wealth they have. A baby is not just a mouth, it is a pair of hands and it is a brain. And there are people in poor countries that do have a lot of children. That is not necessarily a curse. And we do look with a sort of elitist perspective of one and a half children, two cars in the garage and three televisions—there are some families all they have is children.

The real problem with population is density, the number of people per square mile. Japan has a hellish density and one of the highest standards of living in the world. Switzerland has the highest. It is not the number of people, it is the country, the system of government, the economy—there are all sorts of problems. But sweeping people out of the way, to me, is a gross oversimplification of a very complicated problem.

And very lastly—and I appreciate the indulgence—we are talking about abortion in the sense that these two groups that are pushing this legislation are the only two major groups that will not sign onto the Mexico City policy. And all that Mexico City says is family planning yes, but if you do abortions, no. And that is all it is.

But I thank the Chairman.

Mr. SMITH of New Jersey. Would my friend yield? Very briefly? Chairman FASCELL. I will be a little lenient here. Go ahead.

Mr. SMITH of New Jersey. Ms. Meyers indicated that Planned Parenthood is not in favor of abortion as a method of family planning. I am sure that will come as a great shock and as news to that organization which has indeed been promoting abortion without restrictions, will not even embrace a restriction such as a sex selection abortion, in those areas where we have attempted to at least proscribe abortions for those reasons.

So if she could produce for the record a statement by Fay Wattleton or some leaders of Planned Parenthood indicating that they are opposed to abortion as a method of family planning, I would be very, very grateful to see that.

Chairman FASCELL. Is there further discussion on this amendment?

Mr. TORRICELLI. Mr. Chairman?

Chairman FASCELL. Mr. Torricelli.

Mr. TORRICELLI. Mr. Chairman, I do not intend to speak to the amendment but only as well to offer my congratulations and thanks and to identify myself with the remarks of the gentlelady from Kansas.

It is a thoughtful provision. She has presented it well and all of us who share her concerns for the abject poverty in this world and recognizing that indeed other cultures may have different senses of family size, but nations which have 100,000 people living on barrier reefs being swept away by cyclones and African nations stripping away their vegetation, nations that are being robbed of economic growth because of rapidly growing populations, there is only one way to evaluate that: tragic, resulting in enormous human suffering.

And the gentlelady from Kansas has made a real contribution.

VOTE ON THE MEYERS AMENDMENT

Chairman FASCELL. I thank the gentleman.

The question is on agreeing to the Meyers amendment. All those in favor of the amendment signifying by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[Chorus of noes.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

TORRICELLI AMENDMENT—CONDITIONS ON CASH TRANSFER ASSISTANCE

Are there further amendments to Title I?

Mr. Torricelli, is your amendment to Title I?

Mr. TORRICELLI. Yes, Mr. Chairman, it is.

Chairman FASCELL. The chief of staff will report the amendment.

Mr. BRADY. The amendment to the committee offered by Mr. Torricelli. Page 33, after 19, add the following.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for discussion and amendment.

[The amendment of Mr. Torricelli follows:]

ICA91A016

[MAY 6, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY MR. TORRICELLI

Page 33, after line 19, add the following:

1 ``SEC. 1303. PURCHASE OF UNITED STATES GOODS AND SERVICES.

2 `` (a) GENERAL POLICY REGARDING FORMS OF

3 ASSISTANCE.--Assistance under this chapter should be provided

4 principally through commodity import programs, project

5 assistance, sector programs, or the provision of United

6 States goods and services.

7 `` (b) USE OF CASH TRANSFERS FOR UNITED STATES GOODS AND

8 SERVICES.--Assistance may be provided to a country under this

9 chapter as a cash transfer only pursuant to an agreement

10 requiring that the country spend an amount equal to the

11 amount of the cash transfer to purchase United States goods

12 and services. Nothing in this section, however, shall prevent

13 a country from purchasing, with United States cash transfer

14 assistance, goods or services produced in that country.

15 United States goods purchased pursuant to such an agreement

16 shall be deemed to have been furnished in connection with

17 funds advanced by the United States. The President shall

18 ensure that purchases of United States goods pursuant to such

19 agreements, and the ports of departure for those goods, are

20 distributed equitably throughout the United States. The

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2

1 United States goods purchased pursuant to such agreements
 2 shall be United States goods which are available in the
 3 United States at fair prices for such goods.

4 "(c) GAO AUDITS.--Each agreement pursuant to which cash
 5 transfer assistance is provided under this chapter shall
 6 include provisions to ensure that representatives of the
 7 Comptroller General have the access to records and personnel
 8 necessary to carry out such monitoring and auditing as the
 9 Comptroller General deems appropriate.

10 "(d) EXEMPTIONS.--This section shall not apply to any
 11 country--

12 "(1) which receives cash transfer assistance under
 13 this chapter of less than \$10,000,000 for a fiscal year;

14 "(2) which, as of April 1, 1989, was receiving cash
 15 transfer assistance under the former authorities of
 16 chapter 4 of part II of this Act and has an agreement
 17 with the United States under which the country agrees--

18 "(A) to spend an amount equal to the amount of
 19 the cash transfer on the purchase of United States
 20 goods and services,

21 "(B) to carry 50 percent of all bulk shipments
 22 of United States grain on 'privately owned United
 23 States-flag commercial vessels', to the extent such
 24 vessels are available at fair and reasonable rates
 25 for such vessels, and

"(C) to purchase United States grain at levels comparable
 to those purchased in prior years.

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1 except that a country shall be exempted pursuant to this
2 paragraph only so long as that country continues to agree
3 to those conditions;

4
5 (3) which, as of the effective date of this
6 section, has an agreement with the United States
7 requiring that the country spend an amount equal to the
8 amount of any cash transfer assistance under this chapter
9 to purchase United States goods and services, except that
10 a country shall be exempted pursuant to this paragraph
11 only so long as that country continues to agree to that
12 condition.

13 United States goods purchased pursuant to an agreement
14 described in paragraph (3) shall be deemed to have been
15 furnished in connection with funds advanced by the United
16 States, and the last sentence of subsection (a) shall apply
17 with respect to such goods.

18 “(e) WAIVER.--The President may waive the provisions of
19 this section with respect to a country to the extent the
20 President determines that it is important to the national
21 interest to do so. Any such waiver shall be reported to the
22 Committee on Foreign Affairs of the House of Representatives
23 and the Committee on Foreign Relations of the Senate.

24 “(f) DEFINITION OF UNITED STATES GOODS.--For purposes of
25 this section, the term ‘United States goods’ means goods
1 (including components) and commodities (including
2 agricultural commodities) grown, processed, produced, or
3 manufactured in the United States. 44-530 262

Chairman FASCELL. Before the gentleman starts, may I ask him a question?

Is this the same language or the same amendment that was included in H.R. 2655 or this different language?

Mr. TORRICELLI. Mr. Chairman, it is the same provision that was passed by the committee. It does differ in some small respects which I will describe from what ultimately passed the House. It is what passed the Committee.

Chairman FASCELL. Thank you.

The gentleman is recognized for five minutes in support of his amendment.

Mr. TORRICELLI. Mr. Chairman, on previous occasions in other Congresses, this committee considered this provision.

In short, it is a recognition that there is some responsibility by nations that receive cash assistance from the United States to spend those sums in the United States. And, similarly, some responsibility that if nations are to receive American foreign assistance, the goods thus spent should by some proportion be sent on American ships.

We have reached this conclusion previously, Mr. Chairman, by a wide margin in this committee and indeed on the floor of the House on a bipartisan basis because we recognize that American foreign assistance is more than sending money, it is sending our products, our know-how and indeed showing our flag.

During the years of debating this provision, we have made some changes. Specifically, we have created a threshold so the very poorest of nations, largely in Africa, are exempted so that there would be no additional cost in any way taking away from their programs. We exempted in the past nations that have side letters, reaching their own separate agreement with the United States Government that this would not contradict it.

While this provision is identical to what was passed in the committee before, it differs from what was passed on the floor in two respects.

First, Egypt previously was exempted. It is not exempted in this version. Israel has always been exempted because it has a side letter. In this version, Israel continues to be exempted but would have to have 50 percent on U.S. flag ships. And this committee previously passed a \$10 million threshold. It previously on the floor was changed to \$25 million. It reads \$10 million again in this provision.

The author does not feel strongly about that. I am not certain there are any nations that are impacted differently by a \$10 million to a \$25 million figure.

I believe Mr. Berman may want to speak to that subject and I would be glad to yield to him at this time.

**BERMAN AMENDMENT TO TORRICELLI AMENDMENT—\$25 MILLION
THRESHOLD**

Mr. BERMAN. Would the gentleman accept a \$25 million cut off as I believe he did on the House floor when we debated the foreign aid bill in 1989?

Mr. TORRICELLI. The gentleman will recall that on the floor at that time I accepted changing it from a \$10 million to a \$25 million threshold, certain in the knowledge that that would lead the gentleman to enthusiastically support the legislation.

We did agree to the amendment, he enthusiastically opposed it. No doubt if we accept this \$25 million change, his voice will be heard among those who are supportive. And, with that in mind, I am glad to accept the gentleman's amendment.

Chairman FASCELL. Are you talking about the floor, now?

Mr. TORRICELLI. Yes. So I would be glad to accept the gentleman's—

Mr. BERMAN. The gentleman, in a unilateral gesture of good will, has accepted my amendment with the hope that it will lead to my not opposing the amendment as amended. And in that spirit, not that letter, I appreciate his offer.

Mr. TORRICELLI. At \$15 million a vote, this could be an expensive debate.

Chairman FASCELL. As I understand it, you are willing to raise the floor from \$10 to \$25 million without knowing whether Berman is going to vote for it or against it.

Mr. TORRICELLI. I am dealing here on good faith, Mr. Chairman. This indeed would bring the legislation to where it was when it passed the Congress, in the last Congress, the \$25 million figure.

UNANIMOUS CONSENT ON BERMAN AMENDMENT

Chairman FASCELL. Is there objection to the unanimous consent request to raise the floor from \$10 million to \$25 million in the Torricelli amendment?

[No response.]

Chairman FASCELL. If not, it is so ordered.

Is there further discussion on this amendment?

[No response.]

VOTE ON TORRICELLI AMENDMENT AS AMENDED

Chairman FASCELL. If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

PENDING RESERVATIONS

Mr. HYDE. Mr. Chairman.

Chairman FASCELL. Mr. Hyde.

Mr. HYDE. I would like to reserve the right to return to Title I in the future, the next couple of days. I have an amendment that frankly I have not studied enough and I want to talk to Mr. Goss about it.

Chairman FASCELL. Do you have a page number yet, Mr. Hyde?

Mr. HYDE. Page 16.

Chairman FASCELL. Page 16? All right.

By the way, let us stop for a minute and inform the committee on other reservations.

Without objection, the Hyde reservation will be made with regard to a possible amendment on page 16.

[Pause.]

Mr. Houghton—is he here? The Houghton amendment is not ready yet.

Two amendments for Mr. Kostmayer? Page 26 and page 48.

All right.

Now, the Bereuter amendment—pages 59 and 61.

All right. Who else? Mr. Goss?

Mr. GALLEGLY. Mr. Chairman?

Chairman FASCELL. Excuse me.

Mr. GALLEGLY. Mr. Goss unfortunately cannot be here this afternoon and he had asked that I request that we keep Title I—

Chairman FASCELL. Do you have any idea what page his amendment—

Mr. GALLEGLY. Page 25 on capital assistance.

Chairman FASCELL. Page 25, the Goss amendment on capital assistance.

And that is it.

Mr. Solarz, did you have one here? A reservation?

REPORT LANGUAGE ON DEMOCRACY ASSISTANCE PROGRAMS

Mr. SOLARZ. Mr. Chairman, I do not have an amendment but I would like to be recognized if you have just a minute or two.

Chairman FASCELL. The gentleman is recognized for five minutes.

Mr. SOLARZ. I rise, Mr. Chairman, for the purpose of discussing some report language clarifying the committee's intentions regarding Section 1221, the Authorization for Human Rights and Democratic Initiatives.

This section, which was originally found in the committee's rewrite of the foreign aid bill two years ago, contains specific authorities for the use of foreign aid—both development assistance and economic support funds for programs and activities to support respect for human rights and the promotion of democracy, which the committee recognizes as one of the four objectives of foreign aid.

As most of us know, the Agency for International Development has this year declared the promotion of democracy to be one of its primary functions.

While I heartily endorse the use of foreign aid for such purposes and, in fact, offered an amendment in the Africa subcommittee to earmark \$10 million for this purpose in sub-Sahara and Africa, I am disturbed about the implementation of this program, specifically, the role of AID.

It seems to me essential that we clarify the relationship of AID to the other U.S. agencies active in the promotion of democracy which are also authorized by this committee—namely, the USIA and the National Endowment for Democracy. It is to this end that I will propose some specific report language.

I believe that care must be taken to structure our democracy assistance programs so as to minimize political and diplomatic interference with them. While I am not sure that absolute lines should

be drawn as to what programs are appropriate for AID, USIA or NED, I do believe that some clarification is necessary because it appears that AID is reluctant to accept any restrictions on the type of activities that it will plan or carry out.

A.I.D. has developed and managed projects directed towards strengthening governmental institutions of democracy, legislatures, judiciaries, legal systems, electoral systems, financial accountability and local government. It seems to me that this is exactly where the agency's strength lies.

U.S.I.A. should be utilized to implement those programs authorized under Section 1221 that deal with the informational, educational and social activities associated with a pluralistic society.

In general, however, support for the non-governmental institutions of civil society is best left to the National Endowment for Democracy and its affiliated non-governmental organizations.

In particular, Mr. Chairman, I believe it would be a great mistake for AID to become involved in directly assisting political parties or groups in civil society that have explicitly or potentially political missions and that risk coming into conflict with the government of the day.

We do not want our assistance to democratic groups to become subject to diplomatic pressures, nor do we want to run the risk of possibly tainting worthy democratic groups by providing government assistance directly.

N.E.D. is a non-governmental entity. It has a track record of grant giving to private politically active organizations, parties, institutions or media whose independence from government is essential to their work.

We should strongly encourage AID, which is ultimately responsible for the expenditure of foreign assistance funds, to fully utilize this experience, expertise and independence in their planning and implementation of programs authorized under Section 1221.

Finally, Mr. Chairman, the committee should require active consultation and cooperation among these three agencies to ensure that our assistance for democratic development is implemented in a coordinated and effective manner.

Mr. Chairman, let me just say in conclusion, we have in the last few years begun to provide strong emphasis on the need to promote democracy. That is a very desirable development. And we are providing lots of money for it. But we have at least three different agencies—AID, USIA and NED—all working on it.

In order to get the maximum bang for the buck, in order to enhance the effectiveness of our programs, we need to encourage these agencies to reach some understandings among themselves about what each one's specific and particular areas of responsibility will be in order to avoid unnecessary and possibly counterproductive overlap and duplication.

I am just concerned—as someone who believes deeply in the desirability of our promoting political pluralism—that unless these lines of authority can be straightened out, we may end up with a situation where people throw up their hands and say the hell with the whole business because everybody is stumbling over everybody else's shoes.

So there is no reason in principle this cannot be worked out and I hope, pursuant to the guidelines in our committee report, it will be.

Mr. MILLER. Will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from Washington.

Mr. MILLER. I think he raises an excellent point and it is an issue that we should express our feelings on and I join the gentleman of New York in his remarks.

This came up in the subcommittee, the International Operations Subcommittee. We had representatives from USIA and AID and National Endowment for Democracy there and they were working on this trying to clarify it.

Apparently, this attempted clarification is still going on but I do think it is important that those that are working on clarifying understand how this committee feels on the subject of promoting democracy abroad.

Of course, it should be an objective of all our AID programs but through trial and error the National Endowment for Democracy has rightfully, in this gentleman's opinion, achieved a leading role in promoting democracy abroad through non-governmental groups and that is the function that the National Endowment for Democracy has been doing from Czechoslovakia to Chili, to Nicaragua to Namibia and with all that we have gone through getting the National Endowment for Democracy to this point, we do not want to now have a lot of other organizations or any other organization starting to get into the business of trying to assist political parties or non-governmental groups.

This is something that has to be done in a very sophisticated manner by an agency that is directly part of the U.S. Government.

And so I think my colleague from New York raises a proper concern and I join him in expressing that concern to all the agencies involved that are trying to clarify the lines of authority.

I thank the gentleman from New York for yielding.

Chairman FASCELL. I will yield myself a few moments to make a comment on the issue that the gentleman from New York has raised. I agree with the observations of the gentlemen from New York and Washington.

This has been a longstanding matter that has evolved over a period of at least 25 years. I do not want to be crass and say this is a normal kind of turf fight, but all of that does get involved in these issues, some of which are legitimate differences of opinion and, in my judgment, some which are not.

But in any event, we are supposed to all be on the same railroad train, and I think we all see the value of these projects. And so I do not think it ought to be an either or proposition here.

The value of the National Endowment as a separate institution has been proven. Not every project can be done directly, government-to-government.

We have found through experience that the figmert of taking one step back from government works in a lot of cases because it makes it comfortable for other people to come under the umbrella. And that is true not only with NED but with many other organizations which are either direct grantees of NED or direct grantees of other organizations, departments or agencies of the United States

Government. We have sometimes found it useful as a matter of policy to take one step back and allow those organizations some flexibility and some opportunity to work with either individuals or non-governmental organizations in other countries.

So there is room for both. There ought to be. The last thing we need is some kind of a fight in which we would try to establish an either or proposition with regard to jurisdiction or funding or programming.

So I would hope that the agencies involved here would take this discussion very seriously and attempt to resolve the matter in the only sensible way it can be done, which is with dialogue and common sense.

Are there any further amendments to Title I?

[No response.]

Chairman FASCELL. Are there any further reservations that we have not already noted?

[No response.]

TITLE II

Chairman FASCELL. If not, we will go to the consideration of Title II and let me explain to the committee what we will do here.

FASCELL-BROOMFIELD EN BLOC AMENDMENT TO TITLE II

We will take up the en bloc amendment on which agreement has been reached by the parties. We will not take up any matter which has not yet been satisfactorily resolved; to wit, the question on the Export Administration Act or the arms transfer regime or the policy statement with regard to arms control. We will leave those to another time and, as far as I know, that should take care of Title II.

So, I will offer this amendment on behalf of myself and Mr. Broomfield, and Mr. Hyde will represent Mr. Broomfield in the discussion of the en bloc amendment. The Chief of Staff will report the amendment and the staff will distribute it.

Mr. BRADY. Amendment offered by Mr. Fascell. One. Page 69—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for amendment.

[The amendment of Mr. Fascell follows:]

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[May 14, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. FASCELL

(1) Page 69, line 23, after "obligated" insert "for a particular country or international organization"; and page 70, strike out lines 18 through 24.

(2) Page 76, after line 9, insert the following:

1 "(h) CIVIC ACTION IN AFRICA.--Funds appropriated to
2 carry out this chapter may be used for civic action in
3 Africa, notwithstanding section 6204 of this Act and any
4 similar provision of law that prohibits assistance to
5 countries in default on obligations owed to the United
6 States.

(3) Page 83, line 13, strike out "or" and insert in lieu thereof "on the United States Munitions List (other than any such defense article the useful life of which has expired) or any".

(4) Page 86, beginning in line 16, strike out "amounts made available to carry out" and insert in lieu thereof "aggregate amount of financing provided on a grant or credit basis under"; and line 25, before the period insert "(other

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than a provision specifying a minimum for Israel or Egypt)''.

(5) Page 96, after line 24, insert the following new section 2303 and redesignate existing sections 2303 and 2304 as sections 2304 and 2305, respectively.

1 ''SEC. 2303. NATURAL RESOURCES AND WILDLIFE MANAGEMENT.

2 ''(a) AUTHORITY TO TRANSFER NONLETHAL EXCESS DEFENSE

3 ARTICLES AND SMALL ARMS.--The President may transfer eligible
4 articles to an eligible country, an international

5 organization, or a private voluntary organizations for the
6 purpose of protecting and maintaining wildlife habitats and
7 developing sound wildlife management and plant conservation
8 programs.

9 ''(b) LIMITATIONS ON TRANSFERS.--The President may
10 transfer eligible articles under this section only if--

11 ''(1) they are drawn from existing stocks of the
12 Department of Defense;

13 ''(2) funds available to the Department of Defense
14 for the procurement of defense equipment are not expended
15 in connection with the transfer;

16 ''(3) the President determines that the transfer will
17 not have an adverse impact on the military readiness of
18 the United States; and

19 ''(4) transferring the eligible articles under the
20 authority of this section is preferable to selling them,

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1 after taking into account the potential proceeds from,
2 and likelihood of, such sales, and the comparative
3 foreign policy benefits that may accrue to the United
4 States as the result of either a transfer or sale.

5 "(c) TERMS OF TRANSFERS.--Eligible articles may be
6 transferred under this section without cost to the recipient
7 country or organization.

8 "(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD
9 EXPENSES.--Section 7201(d) does not apply with respect to
10 transfers of eligible articles under this section.

11 "(e) TRANSPORTATION AND RELATED COSTS.--

12 "(1) IN GENERAL.--Except as provided in paragraph
13 (2), funds available to the Department of Defense shall
14 not be expended for crating, packing, handling, and
15 transportation of eligible articles transferred under the
16 authority of this section.

17 "(2) EXCEPTION.--Notwithstanding section 7201(d) or
18 any other provision of law, the President may direct the
19 crating, packing, handling, and transport of eligible
20 articles without charge to an eligible country if--

21 "(A) that country has an agreement providing the
22 United States with base rights in that country;

23 "(B) that country is eligible for assistance
24 from the International Development Association; and

25 "(C) the eligible articles are being provided to

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1 that country under the authority of this section.

2 `` (2) NOTIFICATIONS TO CONGRESS.--

3 `` (1) DESIGNATION OF ADDITIONAL ELIGIBLE

4 COUNTRIES.--The President shall notify the relevant
5 congressional committees at least 15 days before
6 designating a country as an eligible country pursuant to
7 subsection (g)(1)(A)(iii)(II).

8 `` (2) PROPOSED TRANSFERS.--The President may not
9 transfer eligible articles under this section until 15
10 days after the President has provided notice of the
11 proposed transfer to the relevant congressional
12 committees. This notification shall include--

13 `` (A) a discussion of the need for the transfer;

14 `` (B) an assessment of the impact of the transfer
15 on the military readiness of the United States; and

16 `` (C) the value of the eligible articles to be
17 transferred.

18 `` (3) PROCEDURES APPLICABLE TO

19 NOTIFICATIONS.--Notifications pursuant to this subsection
20 shall be considered in accordance with the procedures
21 applicable to reprogramming notifications submitted to
22 the relevant congressional committees.

23 `` (g) DEFINITIONS.--

24 `` (1) DEPARTMENT OF DEFENSE.--For purposes of this
25 section, the term 'Department of Defense' shall be

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1 deemed, with respect to excess property of the Coast
2 Guard, to include the Coast Guard.

3 (2) ELIGIBLE COUNTRY.--(A) For purposes of this
4 section, the term 'eligible country' means a country--

5 (i) for which foreign military financing
6 assistance was justified for the fiscal year in which
7 the transfer of eligible articles under this section
8 is authorized;

9 (ii) that is eligible to receive foreign
10 military financing assistance at the time of the
11 transfer; and

12 (iii) that either--

13 (I) is a grandfathered country, or

14 (II) has been designated by the President
15 as an eligible country for purposes of this
16 section.

17 (B) As used in subparagraph (A)(iii)(I), the term
18 'grandfathered country' means Botswana, Central African
19 Republic, Cameroon, Kenya, Malawi, Tanzania, and
20 Zimbabwe.

21 (3) ELIGIBLE ARTICLES.--For purposes of this
22 section, the term 'eligible articles' means--

23 (A) nonlethal excess defense articles,

24 (B) nonlethal excess property of the Coast
25 Guard, and

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1 (C) small arms

2 (4) EXCESS DEFENSE ARTICLES.--For purposes of
3 sections 2304 and 2305, the term 'excess defense
4 articles' shall be deemed to include eligible articles
5 transferred under the authority of this section.

6 (5) RELEVANT CONGRESSIONAL COMMITTEES.--For
7 purposes of this section, the term 'relevant
8 congressional committees' means the Committee on Armed
9 Services, the Committee on Foreign Affairs, and the
10 Committee on Appropriations of the House of
11 Representatives and the Committee on Armed Services, the
12 Committee on Foreign Relations, and the Committee on
13 Appropriations of the Senate.

Page 92, line 21, strike out "2303 and 2304" and insert
in lieu thereof "2304 and 2305"; and page 97, line 15,
after "2302," insert "under 2303,".

(6) Page 97, line 3, strike out "acquisition cost to the
United States" and insert in lieu thereof "value"; and
line 6, after "chapter" insert "(other than section 2301)
or under the authority of the Defense Trade and Export
Control Act (other than defense articles with respect to
which the President submits a certification under section
36(b) of that Act)".

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(7) Page 100, line 13, after "defense" insert ", and" and may also include legislators,

(8) Page 102, beginning in line 18, strike out "and other programs carried out in furtherance of the national interest of the United States" and insert in lieu thereof "related programs"; and page 103, line 6, after "activities" insert "and related programs".

(9) Page 121, line 13, strike out "defense articles" and insert in lieu thereof "commodities"; beginning in line 14, strike out "defense"; line 24, strike out "defense articles and defense services"; page 122, line 1, after "(1)" insert "defense articles and defense services"; and line 3, after "(2)" insert "commodities and services"; line 19, after "services" insert ", and of all commodities and services,"; and line 24, strike out "and defense services" insert in lieu thereof ", defense services, commodities, or services"; page 123, line 2, after "service" insert "and the term 'services'"; and line 8, after "services" insert "and for commodities and services".

0) Page 125, line 11, strike out "(a) LIMITATION.--"

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at the end of line 18, insert closing quotations marks and a period; strike out lines 19 through 22; and page 127, strike out lines 16 through 23 and insert in lieu thereof the following:

- 1 `` (A) in subsection (c)(1), by striking out
2 `` sold ``; and

(11) Page 134, strike out lines 11 through 15.

(12) Page 139, line 16, strike out ``\$25,000,000`` and insert in lieu thereof ``\$18,000,000``; line 23, strike out ``\$25,000,000`` and insert in lieu thereof ``\$18,000,000``; and page 140, line 9, strike out ``\$25,000,000`` and insert in lieu thereof ``\$18,000,000``

(13) Page 144, line 4, before the first period, insert the following:

3 because--

4 `` (1) New Zealand is a member of a military alliance
5 with the United States,

6 `` (2) applying the shorter review period would
7 encourage New Zealand to remove obstacles to entering a
8 military alliance with the United States, or

9 `` (3) to do so would be in the national security
10 interest of the United States

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(14) Page 152, line 16, after "applied" insert "as hereinafter provided"; and page 153, after line 3, insert the following new subsection (b) and redesignate subsequent subsections accordingly:

- 1 "(b) DETERMINATION REQUIRED.--The sanctions described in
 2 this section shall apply if--
 3 "(1) the President so determines and states in
 4 writing to the Congress, or
 5 "(2) the Congress so determines by joint resolution.

Page 153, line 4, after "If" insert "it is determined pursuant to subsection (b) that"; beginning in line 17, strike out "determines that the violation described in subsection (a) occurred" and insert in lieu thereof "notifies the Congress that he has made a determination pursuant to subsection (b)(1) or on which the Congress enacts a joint resolution pursuant to subsection (b)(2)"; beginning in line 19, strike out ", which may not be less than 1 year after the date described in paragraph (1),"; page 154, strike out lines 4 through 6, and insert in lieu thereof the following:

- 6 "(e) REPORT TO CONGRESS.--The President shall report to
 7 the Congress promptly on the receipt of information a
 8 violation described in subsection (a) may have occurred.

(15) Page 157, line 22, strike out "(1) in paragraph (3)," and insert in lieu thereof the following:

1 (1) in paragraph (1)--

2 (A) in subparagraph (A), by striking out "are
3 the subject of an indictment for, or have been
4 convicted of," and inserting in lieu thereof "have
5 been convicted of"; and

6 (B) in subparagraph (B), by striking out "are
7 the subject of an indictment or";

8 (2) in paragraph (3)--

9 (A) by striking out subparagraph (A) and
10 redesignating subparagraphs (B) and (C) as
11 subparagraphs (A) and (B), respectively; and

12 (B) at the end of the first sentence,

Page 158, line 3, strike out "(2)" and insert in lieu thereof "(3)"; line 7, strike out "(3)" and insert in lieu thereof "(4)"; and line 9, strike out "(4)" and insert in lieu thereof "(5)".

(16) Page 162, line 21, strike out "None" and insert in lieu thereof "(a) PROHIBITION.--Except as provided in subsection (b), none"; page 163, line 2, after the semicolon insert "and"; and line 4, strike out "for purposes" and

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all that follows through the end of line 6 and insert in lieu thereof the following:

1 (as defined in section 47(9) of the Defense Trade and Export
2 Control Act).

3 "(b) EXCEPTION.--Subsection (a) shall not apply if the
4 President determines that its application is not in the
5 national security interest of the United States.

(17) Page 91, strike out lines 9 through 13 and insert in lieu thereof the following:

6 (i) the amount of foreign military financing
7 assistance provided for Turkey, to

8 (ii) the amount of foreign military financing
9 assistance provided for Greece.

Page 93, line 8, strike out "subsection" and insert in lieu thereof "section".

Page 102, line 1, strike out "2404" and insert in lieu thereof "2504"; and line 9, strike out "2405" and insert in lieu thereof "2505".

Page 113, line 25, after "financing" insert "assistance".

Page 120, line 17, strike out "PROVISIONS" and insert in lieu thereof "PROVISIONS".

Make such other technical and conforming amendments as may be necessary.

Chairman FASCELL. As I said, this amendment has been cleared. We have worked out all of the questions that were raised and I will yield to Mr. Hyde for whatever comments he may wish to make.

Mr. HYDE. Thank you, Mr. Chairman.

On behalf of the ranking Republican member, Mr. Broomfield, I would like to assure the members on our side of the aisle that the en bloc amendment has been reviewed and agreed to by the ranking Republican member and so we urge that all members support it.

VOTE ON FASCELL-BROOMFIELD EN BLOC AMENDMENT

Chairman FASCELL. All right.

The question is on agreeing to the en bloc amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

Now, I have two reservations noted in Title II: Mr. Hyde for one and myself for the policy statement on arms transfers to the Persian Gulf and Middle East.

Are there any other reservations that anyone knows about? I do not know of any.

[No response.]

Chairman FASCELL. If not, we will stand adjourned until Thursday at 9:30.

Thank you very much.

[Whereupon, at 3:00 p.m., the committee recessed, to reconvene at 9:30 a.m., Thursday, May 16, 1991.]

AUTHORIZATION REQUEST FOR FOREIGN ASSISTANCE FOR FISCAL YEARS 1992-93

TUESDAY, MAY 21, 1991

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, in open markup session at 10:20 a.m., in room 2170, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. The committee will come to order.

[Whereupon the committee proceeded to other business.]

Mr. BEREUTER. Mr. Chairman.

Chairman FASCELL. Mr. Bereuter.

Mr. BEREUTER. Mr. Chairman, may I be recognized out of order for a minute?

Chairman FASCELL. Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman.

I wanted to serve notice to Mr. Dymally and Mr. Burton, their staffs, and all Members of the committee that I intend to offer a comprehensive amendment to the foreign assistance bill. It will be the contents of H.R. 1454, the Horn of Africa bill, which has over 138 co-sponsors and they are coming in rapidly. I wanted to alert all Members in case they have a desire for any perfecting amendments. I hope to offer it to the miscellaneous title or the Africa title, depending on the Chairman's advice.

Mr. DYMALLY. Would the gentleman yield?

Mr. BEREUTER. I would be pleased to yield to the Chairman.

Mr. DYMALLY. May I have a copy of that amendment?

Mr. BEREUTER. I will get you one immediately.

Mr. DYMALLY. Thank you.

Mr. BEREUTER. It is the contents of H.R. 1454.

Mr. DYMALLY. Fine. Thank you very much.

Mr. BEREUTER. Thank you, Mr. Chairman.

Chairman FASCELL. I appreciate the announcement, Mr. Bereuter, so that Members might have an opportunity to explore it.

[Whereupon the committee proceeded to other business.]

Mr. DYMALLY. Before you go on to H. Con. Res. 142, may I be recognized for one minute?

Chairman FASCELL. Mr. Dymally.

Mr. DYMALLY. Mr. Chairman, I have before me the draft of H.R. 1454. The Subcommittee on Africa had scheduled hearings on this bill for this week, but because of the mark-up, we had to cancel.

I just want to bring to the attention of the Members, it is a major piece of legislation dealing with the Horn of Africa. One which I am favorably disposed to and I am a co-author of the bill. But it is such a major piece, I am wondering if justice will be done to this piece of legislation by taking it up as an amendment. I do not know if it is a matter that the committee has to decide, but wanted to reflect to Mr. Bereuter's announcement to you, Mr. Chairman.

Chairman FASCELL. Well, I appreciate that comment and perhaps the gentlemen who are involved in this, Mr. Bereuter, who is very much interested in your subcommittee hearings, maybe all of you can get together and discuss this matter.

It is an important issue and obviously I feel that it would be better off if you have hearings, but I cannot make that judgment.

The Chair would appreciate it if the two gentlemen would get together and try to resolve this matter.

Mr. DYMALLY. Thank you, Mr. Chairman.

[Whereupon the committee proceeded to other business.]

FASCELL TECHNICAL AMENDMENT TO THE COMMITTEE PRINT

Chairman FASCELL. Now we resume consideration of the foreign aid bill. I would like to offer a technical amendment which the Chief of Staff will report.

Mr. BRADY. Amendment offered by Mr. Fascell, page 2, after line 3, insert the following: Section 2, Table of Contents for this Act.

Chairman FASCELL. Without objection, further reading of the technical amendment will be dispensed with and printed in the record in full.

[The en bloc amendment of Mr. Fascell follows:]

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[May 20, 1991]

AMENDMENTS TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED EN BLOC BY MR. FASCELL

Page 2, after line 3, insert the following:

1 SEC. 2. TABLE OF CONTENTS FOR THIS ACT.

2 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents for this Act.

Sec. 3. Table of contents for amended Foreign Assistance Act.

TITLE I--ECONOMIC ASSISTANCE

Sec. 201. Revision of economic assistance programs.

TITLE II--MILITARY ASSISTANCE, RELATED ASSISTANCE, AND MILITARY SALES PROGRAMS

Chapter 1--Consolidation and Revision of Assistance Authorities

Sec. 201. Revision of assistance programs.

Sec. 202. Conforming amendments.

Sec. 201. Transition rule concerning disposition of certain previously provided military equipment.

Chapter 2--Foreign Military Sales Program

Sec. 221. Arms transfer policy.

Sec. 222. Improved accounting for foreign military sales.

Sec. 223. Designation of major non-NATO allies.

Sec. 224. Certification thresholds.

Sec. 225. Standardizing congressional review procedures for arms transfers.

Sec. 226. Foreign availability.

Sec. 227. Economic impact of United States arms sales.

Sec. 228. Coproduction agreements.

Sec. 229. Enforcement of arms export licensing requirements.

Sec. 230. Biennial review of the international traffic in arms regulations.

Sec. 231. Fair pricing.

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- Sec. 232. Contract administrative service charges for NATO subsidiary bodies.
- Sec. 233. Amendments to eliminate obsolete and inconsistent provisions.
- Sec. 234. Technical corrections.

Chapter 3--Other Provisions

- Sec. 241. Depleted uranium shells.

TITLE III--TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION

- Sec. 301. Consolidation and revision of authorities.

TITLE IV--INTERNATIONAL NARCOTICS CONTROL

- Sec. 401. Consolidation and revision of authorities and requirements.

TITLE V--SPECIAL ASSISTANCE INITIATIVES AND OTHER REGION OR COUNTRY SPECIFIC PROVISIONS

- Sec. 501. Special initiatives and provisions.
- Sec. 502. Conforming amendment relating to the Environment for the Americas Board.

TITLE VI--SPECIAL AUTHORITIES, RESTRICTIONS, REPORTS, GENERAL PROVISIONS, AND TECHNICAL AND CONFORMING AMENDMENTS

Chapter 1--Special Authorities, Restrictions, and Reports

- Sec. 601. Consolidation and revision of authorities and requirements.

Chapter 2--Administrative and General Provisions

- Sec. 621. Consolidation and revision of provisions.

Chapter 3--Technical and Conforming Provisions

- Sec. 641. Savings provisions.

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- Sec. 642. Retention of certain provisions formerly in the Foreign Assistance Act.
- Sec. 643. Renaming of Trade and Development Program; Conforming Changes.
- Sec. 644. Conforming amendments.
- Sec. 645. Repeal of obsolete provisions.

TITLE VII--LATIN AMERICA AND THE CARIBBEAN

Chapter 1--El Salvador

[Reserved for provisions relating to El Salvador.]

Chapter 2--Other Provisions Pertaining to Central America

- Sec. 711. Promoting Central American recovery and development.
- Sec. 712. Military aircraft transfers.
- Sec. 713. Assistance for Guatemala.
- Sec. 714. Assistance for Nicaragua.
- Sec. 715. Assistance for refugees and displaced persons.

Chapter 3--The Caribbean

- Sec. 721. Assistance for Haiti.
- Sec. 722. Haitian sugar cane harvesters in the Dominican Republic.
- Sec. 723. Assistance for Guyana.

Chapter 4--Andean Initiative

- Sec. 731. Economic assistance for the Andean countries.
- Sec. 732. Military and law enforcement assistance.
- Sec. 733. Extension of requirements for presidential determination.
- Sec. 734. Conditional waiver of Brooke-Alexander amendment.

Chapter 5--Other Provisions Pertaining to the Region

- Sec. 741. Assistance for law enforcement.
- Sec. 742. Inter-American Foundation.
- Sec. 743. Military assistance and sales for Chile.
- Sec. 744. Suspension of assistance if a military coup occurs.

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TITLE VIII--EUROPE AND THE MIDDLE EAST

Chapter 1--Middle East

- Sec. 801. Assistance for Israel.
- Sec. 802. Assistance for Egypt.
- Sec. 803. Promoting pluralism and democracy.
- Sec. 804. West Bank and Gaza program.
- Sec. 805. Middle East scientific and technological cooperative projects.
- Sec. 806. Cooperative development projects.
- Sec. 807. Israeli-Palestinian people-to-people activities.
- Sec. 808. Policy toward and assistance for Lebanon
- Sec. 809. Restrictions and reports with regard to Syria.
- Sec. 810. Captured Iraqi equipment.
- Sec. 811. Iraqi compensation for damages to other countries.
- Sec. 812. Peace and stability in the Middle East.
- Sec. 813. Cumulative impact of conventional arms transfers in the Middle East.
- Sec. 814. Restrictions on negotiations with the Palestine Liberation Organization.
- Sec. 815. United Nations General Assembly Resolution 3379.

Chapter 2--Eastern Mediterranean

- Sec. 821. Assistance for Cyprus.
- Sec. 822. Assistance for Greece.
- Sec. 823. Assistance for Turkey.
- Sec. 824. Admission of Turkey into the European Community and

Chapter 3--Support for East European Democracy

- Sec. 841. Amendments to SEED Act of 1989.
- Sec. 842. United States policy regarding Eastern Europe.
- Sec. 843. East European countries eligible for SEED benefit.
- Sec. 844. Structural adjustment.
- Sec. 845. Private sector development.
- Sec. 846. Trade and investment.
- Sec. 847. Educational, cultural, and scientific activities.
- Sec. 848. Other assistance programs.
- Sec. 849. Additional SEED Program actions.
- Sec. 850. Funding of SEED Program.
- Sec. 851. Conforming amendments to list of SEED actions.

Chapter 4--Other Provisions Relating to Europe

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- Sec. 861. Contributions to Anglo-Irish International Fund.
- Sec. 862. Technical assistance for Baltic states and for democratic governments and nongovernmental organizations in the Soviet Union.
- Sec. 863. Assistance for Soviet Armenia.
- Sec. 864. Soviet-Eastern European research and training program.
- Sec. 865. United States policy toward Yugoslavia.
- Sec. 866. Situation in Kosovo province of Yugoslavia.
- Sec. 867. Policy statement regarding the importation of sporting and hunting rifles and shotguns from certain East European countries.

TITLE IX--ASIA AND THE PACIFIC

Chapter 1--East Asia and the Pacific

- Sec. 901. Burma.
- Sec. 902. Cambodia.
- Sec. 903. Prohibition on military assistance to Fiji.
- Sec. 904. Malaysia.
- Sec. 905. South Pacific regional program.
- Sec. 906. Consolidation of Asia programs at AID.
- Sec. 907. Cooperation on POW/MIA issue.
- Sec. 908. Admission of Asian countries into the OECD.
- Sec. 909. Assistance to displaced Burmese in Thailand and Burma.
- Sec. 910. Annual certification regarding arms transfers by the People's Republic of China to Iran, Iraq, Libya, Pakistan, and Syria.

- Sec. 921. Assistance for Afghanistan.
- Sec. 922. Mines in Afghanistan.
- Sec. 923. United States-Soviet dialogue on a political settlement in Afghanistan.
- Sec. 924. United States support for democracy and development in Bangladesh.
- Sec. 925. Nepal.
- Sec. 926. Promotion of human rights in Sri Lanka.

Chapter 3--Industrial Cooperation Projects in China and Tibet

- Sec. 931. Statement of principles.
- Sec. 932. Registration requirement.

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- Sec. 933. Reporting requirements.
- Sec. 934. Export marketing support.

TITLE X--AFRICA

Chapter 1--Authorizations of Assistance for Africa

- Sec. 1001. African Development Foundation.
- Sec. 1002. Support for the Southern Africa Development Coordination Conference.
- Sec. 1003. Economic support assistance for sub-Saharan Africa.
- Sec. 1004. AIDS in sub-Saharan Africa.
- Sec. 1005. Support for democratization in sub-Saharan Africa.
- Sec. 1006. African Center for Conflict Resolution.

Chapter 2--Provisions Relating to Specific Countries

- Sec. 1021. Angola.
- Sec. 1022. Burundi.
- Sec. 1023. Ethiopia.
- Sec. 1024. Kenya.
- Sec. 1025. Liberia.
- Sec. 1026. Malawi.
- Sec. 1027. Mozambique.
- Sec. 1028. Somalia.
- Sec. 1029. South Africa.
- Sec. 1030. Sudan.
- Sec. 1031. Zaire.

Chapter 3--United States Commission on Southern Africa

- Sec. 1041. Short title.
- Sec. 1042. Findings.
- Sec. 1043. Establishment.
- Sec. 1044. Purpose of Commission.
- Sec. 1045. Membership; chairperson.
- Sec. 1046. President and staff of Commission.
- Sec. 1047. Powers of
- Sec. 1048. Requiremer
- Sec. 1049. Report.
- Sec. 1050. Funding.

Chapter 4--Other Provisions

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- Sec. 1061. United States trade restrictions on products from sub-Saharan Africa.
 Sec. 1062. Recognition of sub-Saharan African support during the Persian Gulf conflict.
 Sec. 1063. Conditions on furnishing IMET for sub-Saharan Africa.
 Sec. 1064. International Fund for Agricultural Development.
 Sec. 1065. Exemptions from restrictions on assistance.

TITLE XI--OTHER PROVISIONS

- Sec. 1101. Effective date.
 Sec. 1102. Definition relating to prior year military assistance.
 Sec. 1103. Authorizations of appropriations for the Peace Corps.

1 SEC. 3. TABLE OF CONTENTS FOR AMENDED FOREIGN ASSISTANCE ACT.

2 The Foreign Assistance Act of 1961 is amended by striking
 3 out the first section and inserting in lieu thereof the
 4 following:

5 "SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

6 "(a) SHORT TITLE.--This Act may be cited as the 'Foreign
 7 Assistance Act of 1961'.

8 "(b) TABLE OF CONTENTS.--The table of contents for this
 9 Act is as follows:

"Section 1. Short title and table of contents.

"TITLE I--ECONOMIC ASSISTANCE

"Chapter 1--Economic Assistance Policies

- "Sec. 1101. Findings and declarations of policy concerning economic assistance programs generally.
 "Sec. 1102. Basic objectives of economic assistance programs

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Chapter 2--Development Assistance

Subchapter A--Development Assistance Authorities

- Sec. 1201. Assistance for development needs.
- Sec. 1202. Authorizations of appropriations.
- Sec. 1203. Funding for health, child survival, AIDS, and Vitamin A deficiency.
- Sec. 1204. Assistance for population planning.
- Sec. 1205. Funding for the United Nations Population Fund.
- Sec. 1206. Nongovernmental organization family planning assistance.

Subchapter B--Special Focus Programs and Activities

- Sec. 1221. Assistance for human rights and democratic initiatives.
- Sec. 1222. Development education.
- Sec. 1223. Strengthening the capacity of nongovernmental organizations, including research and educational institutions.
- Sec. 1224. Microenterprise development.
- Sec. 1225. Private voluntary organization activities.

SUBCHAPTER C--OTHER AUTHORITIES AND REQUIREMENTS

- Sec. 1241. Impact of development assistance on environment and natural resources.
- Sec. 1242. Cost sharing.
- Sec. 1243. Assistance limited to economic programs.

Chapter 3--Economic Support Assistance

- Sec. 1301. Assistance under special economic, political, and security conditions.
- Sec. 1302. Authorizations of appropriations.
- Sec. 1303. Purchase of United States goods and services.

Chapter 4--Voluntary Contributions to International Organizations and Programs

- Sec. 1401. Authority to provide assistance.
- Sec. 1402. Authorization of appropriations.
- Sec. 1403. Condition on contributions to the International Atomic Energy Agency.

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- Sec. 1404. Withholding of United States proportionate share for certain programs of international organizations.
- Sec. 1405. Restriction on contributions to United Nation Relief and Works Agency.
- Sec. 1406. Reports on international organizations.
- Sec. 1407. Auditing of accounts of international organizations.
- Sec. 1408. Integration of women.

Chapter 5--Housing and Urban Development Guarantee Program

- Sec. 1501. Housing and urban development guarantee program

Chapter 6--International Disaster Assistance

- Sec. 1601. Statement of policies.
- Sec. 1602. Authority to provide assistance.
- Sec. 1603. Authorizations of appropriations.
- Sec. 1604. Borrowing authority.
- Sec. 1605. Liberian civil strife assistance.

Chapter 7--Other Economic Assistance Programs

Subchapter A--American Schools and Hospitals

- Sec. 1701. Authority to provide assistance.
- Sec. 1702. Authorizations of appropriations.

Subchapter B--Debt for Development

- Sec. 1721. Debt exchange.

Chapter 8--Reimbursable Programs

- Sec. 1801. Authority to conduct reimbursable programs
- Sec. 1802. Use of payments.

Chapter 9--Administration of Economic Assistance Programs

Subchapter A--Operating Expenses

- Sec. 1901. Authorizations of appropriations for operating

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- expenses generally.
- `` Sec. 1902. Authorizations of appropriations for operating expenses of the Inspector General.
- `` Sec. 1903. Additional funds for operating expenses.

Subchapter B--Evaluation

- `` Sec. 1921. Evaluation and accountability.

Subchapter C--Cooperation With Nongovernmental Sector

- `` Sec. 1941. Center for University Cooperation in Development.
- `` Sec. 1942. Center for Voluntary Cooperation in Development.
- `` Sec. 1943. Private sector advisory board.

TITLE II--MILITARY ASSISTANCE AND RELATED PROGRAMS

Chapter 1--Policies Regarding Military Assistance

- `` Sec. 2101. Findings and statements of policies regarding military assistance.
- `` Sec. 2102. Objectives of military assistance.

Chapter 2--Foreign Military Financing Program

- `` Sec. 2201. Authority to furnish assistance.
- `` Sec. 2202. Terms of financing assistance.
- `` Sec. 2203. Eligibility.
- `` Sec. 2204. Approval of third country transfers.
- `` Sec. 2205. Improved accountability with respect to financed commercial arms sales.
- `` Sec. 2206. Considerations in furnishing assistance.
- `` Sec. 2207. Authorizations of appropriations.

Chapter 3--Transfers of Excess Defense Articles

- `` Sec. 2301. Modernization of defense capabilities of military assistance recipients.
- `` Sec. 2302. Modernization of military capabilities of certain major illicit drug producing countries.
- `` Sec. 2303. Natural Resources and Wildlife management.
- `` Sec. 2304. Annual ceiling on transfers of excess defense articles.

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Sec. 2305. Annual reports on transfers of excess defense articles.

Chapter 4--Overseas Management of Assistance and Sales Programs

- Sec. 2401. Authorized functions.
- Sec. 2402. Limit on size of groups.
- Sec. 2403. Costs.
- Sec. 2404. Role of chief of mission.

Chapter 5--International Military Education and Training

- Sec. 2501. General authority.
- Sec. 2502. Terms of assistance.
- Sec. 2503. Exchange training.
- Sec. 2504. Training in maritime skills
- Sec. 2505. Authorizations of appropriations.

Chapter 6--Peacekeeping Operations

- Sec. 2601. General authority.
- Sec. 2602. Special transfer and drawdown authorities.
- Sec. 2603. Administrative authorities.
- Sec. 2604. Authorizations of appropriations.

Chapter 7--Stockpiling of Defense Articles For Foreign Countries

- Sec. 2701. Restrictions on stockpiling.
- Sec. 2702. Location of stockpiles.
- Sec. 2703. Additions to war reserve stocks.

Chapter 8--International Terrorism

- Sec. 2801. Coordination of all United States terrorism-related assistance to foreign countries.
- Sec. 2802. Considerations in providing assistance.
- Sec. 2803. Antiterrorism assistance.
- Sec. 2804. Authorities and limitations.
- Sec. 2805. Reports to Congress.
- Sec. 2806. Administrative authorities.
- Sec. 2807. Authorizations of appropriations.
- Sec. 2808. Prohibition on assistance to countries supporting international terrorism.

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Chapter 9--Other Provisions

Subchapter A--Special Drawdown Authorities

- Sec. 2901. Special drawdown authorities.

Subchapter B--Exercise and coordination of functions

- Sec. 2921. Responsibilities of the Secretary of State.
- Sec. 2922. Responsibilities of the Secretary of Defense.
- Sec. 2923. Security assistance coordination.

Subchapter C--Miscellaneous

- Sec. 2941. Personnel limited to noncombatant duties.

TITLE III--TRADE AND DEVELOPMENT AGENCY AND OVERSEAS PRIVATE INVESTMENT CORPORATION

Chapter 1--Trade and Development Agency

- Sec. 3101. Purpose.
- Sec. 3102. Authority to provide assistance.
- Sec. 3103. Director and personnel.
- Sec. 3104. Annual report.
- Sec. 3105. Advisory board.
- Sec. 3106. Inspector General.
- Sec. 3107. Funding.

Chapter 2--Overseas Private Investment Corporation

- Sec. 3201. Purpose and policy.
- Sec. 3202. Stock of the corporation; organization and management.
- Sec. 3203. Investment insurance, guarantees, financing, and other programs.
- Sec. 3204. Enhancing private political risk insurance industry.
- Sec. 3205. Guidelines and requirements for OPIC support.
- Sec. 3206. Issuing authority, direct investment fund-equity fund, and reserves.
- Sec. 3207. Income and revenues.
- Sec. 3208. General provisions relating to insurance guaranty, and financing program.
- Sec. 3209. General provisions and powers.

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- .. Sec. 3210. Annual report; maintenance of information.
- .. Sec. 3211. Definitions.

TITLE VI--INTERNATIONAL NARCOTICS CONTROL

Chapter 1--General Policies

- .. Sec. 4101. Findings and statements of policy.
- .. Sec. 4102. Coordination of all United States anti-narcotics assistance to foreign countries.

Chapter 2--Narcotics Control Assistance

- .. Sec. 4201. Authority to enter into agreements and provide assistance.
- .. Sec. 4202. Authorizations of appropriations.
- .. Sec. 4203. Contribution by recipient country.
- .. Sec. 4204. Use of herbicides for aerial eradication.
- .. Sec. 4205. Prohibition on procurement of weapons and ammunition.
- .. Sec. 4206. Permissible uses of aircraft and other equipment.
- .. Sec. 4207. Retention of title to aircraft.
- .. Sec. 4208. Records of aircraft use.
- .. Sec. 4209. Prohibition on use of narcotics control assistance to acquire real property.

Chapter 3--Foreign Assistance Generally and Narcotics Control

- .. Sec. 4301. Prohibition on use of foreign assistance for reimbursements for drug crop eradications.
- .. Sec. 4302. Prohibition on assistance to drug traffickers.
- .. Sec. 4303. Reallocation of funds withheld from countries which fail to take adequate steps to halt illicit drug production or trafficking.
- .. Sec. 4304. Waiver of certain restrictions on assistance for countries reducing illicit drug production.

Chapter 4--Reports and Annual Certification Process

- .. Sec. 4401. Reports.
- .. Sec. 4402. Annual certification procedures.
- .. Sec. 4403. Determining major drug-transit and major illicit drug producing countries.

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Chapter 5--Miscellaneous Provisions

Sec. 4501. Participation in foreign police actions.

TITLE V--SPECIAL ASSISTANCE INITIATIVES AND OTHER REGION AND COUNTRY SPECIFIC PROVISIONS

Chapter 1--Long-Term Development Assistance For Sub-Saharan Africa

Sec. 5101. Development Fund for Africa.

Sec. 5102. Support for SADCC projects.

Sec. 5103. Authorizations of appropriations for the Development Fund for Africa.

Chapter 2--Multilateral Assistance Initiative for the Philippines

Sec. 5201. Findings and statement of policy.

Sec. 5202. Assistance.

Sec. 5203. Report to Congress.

Sec. 5204. Authorization of appropriations.

Sec. 5205. Appropriations in future years.

Sec. 5206. Donor coordination.

Sec. 5207. Economic assistance provisions.

Chapter 3--Caribbean Regional Development

Sec. 5301. Short title.

Sec. 5302. United States policies.

Sec. 5303. Priority areas for assistance.

Sec. 5304. Protection of worker rights.

Sec. 5305. Protection of public health.

Sec. 5306. Support for women's role in development.

Sec. 5307. Consultation.

Sec. 5308. Definition of Caribbean.

Chapter 4--Enterprise for the Americas Initiative

Sec. 5401. Establishment of Enterprise for the Americas Facility.

Sec. 5402. Purpose of Initiative and the Facility

Sec. 5403. Eligibility for benefits under the Facility.

Sec. 5404. Reduction of certain debt.

Sec. 5405. Repayment of principal.

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- .. Sec. 5406. Interest on new obligations.
- .. Sec. 5407. Establishment of, deposits into, and disbursements from Environmental Funds.
- .. Sec. 5408. Environmental Framework Agreements
- .. Sec. 5409. Environment for the Americas Board.
- .. Sec. 5410. Encouraging multilateral debt donations
- .. Sec. 5411. Annual report to Congress.

.. Chapter 5--Other Region and Country Specific Provisions

- .. Sec. 5501. United States policy regarding the Eastern Mediterranean.
- .. Sec. 5502. Strengthening civilian control over the military in Latin America and the Caribbean.
- .. Sec. 5503. South Africa.
- .. Sec. 5504. Assistance for Pakistan.
- .. Sec. 5505. Assistance for Cuba.
- .. Sec. 5606. Economic sanctions against Cuba.

.. TITLE VI--SPECIAL AUTHORITIES, RESTRICTIONS ON ASSISTANCE, AND REPORTS

.. Chapter 1--Special Authorities

- .. Sec. 6101. Authority to transfer between accounts.
- .. Sec. 6102. Special waiver authority.
- .. Sec. 6103. Nonmilitary assistance for unanticipated contingencies.
- .. Sec. 6104. Democracy contingency fund.
- .. Sec. 6105. Termination expenses.
- .. Sec. 6106. Exemption of assistance through nongovernmental organizations from restrictions.
- .. Sec. 6107. Authority to forgive economic assistance debt owed by nongovernmental organizations.
- .. Sec. 6108. Exemption of training activities from prohibitions.

.. Chapter 2--Restrictions on Assistance

- .. Sec. 6201. Ineligible countries and projects.
- .. Sec. 6202. Police training.
- .. Sec. 6203. Intelligence activities.
- .. Sec. 6204. Countries in arrears on assistance repayments.
- .. Sec. 6205. Family planning activities.
- .. Sec. 6206. Nuclear nonproliferation.

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Chapter 3--Reports and Notifications to Congress

- Sec. 6301. Congressional presentation documents for economic assistance.
- Sec. 6302. Human rights policy and reports.
- Sec. 6303. Annual allocation report.
- Sec. 6304. Notification of program changes.
- Sec. 6305. Quarterly reports on obligations for development assistance and economic support assistance.
- Sec. 6306. Furnishing information requested by the Congress or the GAO.
- Sec. 6307. Information requested by Congress.
- Sec. 6308. Presidential findings and determinations.
- Sec. 6309. Reports regarding recipient expenditures for military purposes.

TITLE V--GENERAL PROVISIONS

Chapter 1--Exercise and Coordination of Functions

- Sec. 7101. Delegations by the President.
- Sec. 7102. Designation of administering agency for title I.
- Sec. 7103. Authority to establish missions abroad.
- Sec. 7104. Coordination of United States policies and programs affecting development.

Chapter 2--Administrative Authorities

- Sec. 7201. Allocation of funds and reimbursement among agencies.
- Sec. 7202. General authorities.
- Sec. 7203. Authorized administrative uses of funds.

Chapter 3--Special Requirements and Authorities Relating to Appropriations and Local Currencies

Subchapter A--Provisions Relating to Appropriations

- Sec. 7301. Requirement for specific authorization of appropriations.
- Sec. 7302. Authority for extended period of availability of appropriations.
- Sec. 7303. Reduction of earmarks.

Subchapter B--Local Currencies

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- .. Sec. 7321. Special accounts for and use of host-country owned local currencies.
- .. Sec. 7322. Use of certain foreign currencies owned by the United States.
- .. Sec. 7323. Interest on foreign currency proceeds.
- .. Sec. 7324. Use of local currencies.
- .. Sec. 7325. Interest on local currency accruing to nongovernmental organizations.

Chapter 4--Procurement and Disposition of Commodities and Defense Articles

- .. Sec. 7401. Use of private enterprise.
- .. Sec. 7402. Procurement standards and procedures.
- .. Sec. 7403. Shipping on United States vessels.
- .. Sec. 7404. Excess and other available property.
- .. Sec. 7405. Retention and use of certain items and funds.
- .. Sec. 7406. Laws relating to contracts and government expenditures.
- .. Sec. 7407. Transportation charges incurred by the Red Cross or private voluntary organizations.

Chapter 5--Personnel

- .. Sec. 7501. Statutory officers in economic assistance agency.
- .. Sec. 7502. Employment of personnel.
- .. Sec. 7503. Experts, consultants, and retired officers.
- .. Sec. 7504. Detail of personnel to foreign governments and international organizations.
- .. Sec. 7505. Chief of economic assistance mission abroad.
- .. Sec. 7506. Chairman of OECD Development Assistance Committee.
- .. Sec. 7507. Assignment of DOD personnel to civil offices.
- .. Sec. 7508. Discrimination against United States personnel providing assistance.

Chapter 6--Definitions and Miscellaneous Provisions

- .. Sec. 7601. Definitions.
- .. Sec. 7602. Activities under certain other laws not affected.

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TITLE I:

Page 6, line 25, strike out "to" the second place it appears and insert in lieu thereof "from one's".

Page 21, line 8, after "program" insert "in support of health for all (such as health care initiatives, child survival activities, access to potable water and basic sanitation, and basic nutrition, including nutrition programs under the Agricultural Trade Development and Assistance Act of 1954)".

Page 21, line 11, after "2" insert "of this title".

Page 21, beginning in line 13, strike out "determines and reports" and insert in lieu thereof "submits".

Page 21, beginning in line 16, strike out "that such programs are unnecessary, setting forth in detail the reasons for such determination" and insert in lieu thereof "a detailed rationale for not including such programs in the programs of assistance for such child's survival priority country".

Page 22, line 9, strike out "determines and reports" and insert in lieu thereof "submits".

Page 22, beginning in line 10, strike out "that such programs are unnecessary, setting forth in detail the reasons for such determination" and insert in lieu thereof "a

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detailed rationale for not including such programs in the programs of assistance for such basic education priority country''

Page 26, line 7, strike out ``CERTAIN ACTIVITIES'' and insert in lieu thereof ``HEALTH, CHILD SURVIVAL, AIDS, AND VITAMIN A DEFICIENCY''

Page 27, beginning in line 8, strike out ``for famine recovery and development in Africa'' and insert in lieu thereof ``from the Development Fund for Africa''

Page 30, after line 25, in section 1225 (relating to private voluntary organization activities), as added by the Gilman amendment, strike out ``by section 1202'' and insert in lieu thereof ``for development assistance and assistance from the Development Fund for Africa''.

Page 32, line 25, strike out ``in''.

Page 40, line 13, strike out ``2501'' and insert in lieu thereof ``1501''.

Page 48, line 2, after ``preparedness'' insert ``prevention, and mitigation''.

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Page 50, line 1, strike out ``1741`` and insert in lieu thereof ``1721``; beginning in line 6, strike out ``for famine recovery and development in Africa for grants to`` and insert in lieu thereof ``under the Development Fund for Africa for grants to and contracts with``.

Page 53, line 13, after ``expenses of`` insert ``the``.

Page 57, line 2, strike out ``Center's work`` and insert in lieu thereof ``evaluation``; and line 7, strike out ``director of the Center`` and insert in lieu thereof ``President``.

Page 61, line 15, strike out ``The`` and insert in lieu thereof ``To carry out this section, the``; line 16, strike out the comma; and line 17, strike out ``to carry out`` and all that follows through the end of line 19 and insert in lieu thereof ``for development assistance and assistance from the Development Fund for Africa.``

Page 62, after line 21, insert the following:

- 1 (d) SOURCE OF FUNDS.--To carry out this section, the
- 2 President may make available such funds as he determines from
- 3 funds authorized to be appropriated for development

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- 1 assistance and assistance from the Development Fund for
2 Africa.

TITLE III:

Page 163, line 15, strike "IV" and insert "III".

Page 168, line 23, strike "continue to be considered"
and insert "be considered to be".

Page 169, line 9, strike "Of" and all that follows
through line 12.

Page 205, strike lines 13 through 22 and insert the
following:

- 3 "(2) CREDIT TRANSACTION COSTS.--Project-specific
4 transaction costs incurred by the Corporation relating to
5 loan obligations or loan guarantee commitments covered by
6 the provisions of the Federal Credit Reform Act of 1990,
7 including the costs of project-related travel and
8 expenses for legal representation provided by persons
9 outside the Corporation and other similar expenses which
10 are charged to the borrower, shall be paid out of the
11 appropriate finance account established pursuant to
12 section 505(b) of such Act.

Page 208, line 17, strike out "Yugoslavia, Poland".

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Page 214, line 7, strike ``continue to be considered`` and insert ``be considered to be``

Page 221, line 25, strike ``and`` and insert ``or``

TITLE V:

Page 256, line 9, strike out ``section`` and insert in lieu thereof ``chapter, and any reference in any law to title I of this Act shall be deemed to include a reference to this chapter``

Page 263, line 17, strike out ``4101`` and insert in lieu thereof ``6101``

Page 294, line 6, strike out ``Act`` and insert in lieu thereof ``chapter``.

Page 294, line 20, before ``COUNTRY`` insert ``OTHER REGION AND``.

Page 297, line 6, strike out ``Arms`` and insert in lieu thereof ``Defense Trade and``.

Page 306, after line 16, insert the following:

**SEC. 502. CONFORMING AMENDMENT RELATING TO THE ENVIRONMENT
FOR THE AMERICAS BOARD.**

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1 Section 610(b)(1) of the Agricultural Trade Development
2 and Assistance Act of 1954 is amended--

3 (1) in subparagraph (A), by striking out ``five`` and
4 insert in lieu thereof ``six``; and

5 (2) in subparagraph (B), by striking out ``four`` and
6 inserting in lieu thereof ``five``.

TITLE VI:

Page 309, line 5, strike out ``or``; and line 6, after
``Act`` insert ``, or any annual (or periodic) foreign
assistance authorization or appropriations Act``.

Page 309, beginning in line 18, strike out ``the
provisions`` and insert in lieu thereof ``any provision``;
line 20, after ``or`` the first place it appears, insert
``any provision``; and line 21, strike out ``Acts,`` and
insert in lieu thereof ``Act, that would otherwise prohibit
or restrict the taking, or the refraining from the taking, of
that action,``.

Page 310, line 22, strike out ``\$1,000,000,000`` and
insert in lieu thereof ``\$750,000,000``; page 311, line 1,
strike out ``\$500,000,000`` and insert in lieu thereof
``\$250,000,000``; line 23, strike out ``\$500,000,000`` and
insert in lieu thereof ``\$250,000,000``; and page 312, line

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4, strike out ``\$1,500,000,000`` and insert in lieu thereof
 ``\$1,000,000,000``.

Page 314, line 7, strike out ``6204`` and insert in lieu thereof
 ``6304``; and strike out lines 9 through 13 and insert in lieu thereof the following:

- 1 standing any provision of law that would otherwise prohibit
- 2 such assistance, except that this subsection does not apply
- 3 to a country-specific prohibition that sets forth the
- 4 conditions under which assistance may be provided.

Page 317, line 17, strike out ``NONGOVERNMENTAL`` and insert in lieu thereof
 ``PRIVATE VOLUNTARY``; and line 22, strike out ``nongovernmental`` and insert in lieu thereof
 ``private voluntary``.

Page 332, after line 18, insert the following new subsection (and redesignate the succeeding subsection accordingly):

- 5 ``(e) REPORT ON UNEXPENDED BALANCES.--For assistance
- 6 under chapters 2 and 3 of title I and chapters 1 and 2 of
- 7 title V, the documents submitted pursuant to subsection (a)
- 8 shall include--
- 9 (1) an identification of any funds that, as of

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1 September 30 of the preceding fiscal year, had been
 2 obligated for a period of 2 years or more but had not
 3 been expended; and
 4 (2) a certification that the purposes for which
 5 such funds were obligated remain valid.

Page 353, line 24, after "title I" insert "or chap
 1 or 2 of title V".

Page 350, beginning in line 18, strike out "", after
 September 30, 1990

Page 354, line 8, after "purposes" insert the
 following:

6 , except that such final charges shall not be required in the
 7 case of expenses (other than those provided under sections
 8 1801 and 1802) incurred in furnishing assistance if it is
 9 determined that the accounting costs of identifying the
 10 applicable appropriation or account to which such expenses
 11 should be charged would be disproportionate to the advantage
 12 to be gained

Page 360, beginning in line 10, strike out "with
 individuals for personal service abroad" and insert in lieu
 thereof "for personal services of individuals engaged

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primarily in furnishing assistance abroad under title I or chapter 1 or chapter 2 of title V''

Page 374, line 17, strike out ``VI`` and insert in lieu thereof ``V``.

Page 401, line 22, strike out ``1702`` and insert in lieu thereof ``7201``.

Page 413, line 4, strike out African-American and insert in lieu thereof ``African Development``; and line 5, strike out ``or``.

Page 416, line 21, strike out ``of this section`` and insert in lieu thereof ``specified in section 1101 of this Act``.

Page 421, at the beginning of line 2, insert ``(a) IN GENERAL.--``; line 13, strike out ``B`` and insert in lieu thereof ``A``; and page 422, after line 13, insert the following:

- 1 (b) NARCOTICS CONTROL TRADE ACT.--The Narcotics Control
- 2 Trade Act is amended--
- 3 (1) in section 802(b)(1)(A), by striking out
- 4 ``481(e)`` and inserting in lieu thereof ``4401(a)``;

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1 (2) in section 802(b)(1)(B)(v), by inserting
2 "essential" before "precursor";

3 (3) in section 802(b)(2)(A), by striking out
4 "481(e)(4)" and inserting in lieu thereof
5 "4401(a)(2)(D)"; and

6 (4) in section 804, by striking out "481(e)(1) of
7 the Foreign Assistance Act of 1961 (22 U.S.C.
8 2291(e)(1))" and inserting in lieu thereof "4401(a) of
9 the Foreign Assistance Act of 1961".

10 (c) PUBLIC LAW 480.--The Agricultural Trade Development
11 and Assistance Act of 1954 is amended--

12 (1) in section 304(1), by striking out "104(c)(2) o
13 the Foreign Assistance Act of 1961 (22 U.S.C.
14 2151b(c)(2)), relating to the Child Survival Fund" and
15 inserting in lieu thereof "section 1201(d)(4) of the
16 Foreign Assistance Act of 1961 (relating to child
17 survival activities)";

18 (2) in section 306(a)(2), by striking out "104(c)(2
19 of the Foreign Assistance Act of 1961 (22 U.S.C.
20 2151b(c)(2)), relating to the Child Survival Fund" and
21 inserting in lieu thereof "section 1201(d)(4) of the
22 Foreign Assistance Act of 1961 (relating to child
23 survival activities)"; and

24 (3) in section 414(b), by striking out "481(i)(2)"
25 and inserting in lieu thereof "7601(e)(2)".

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1 (d) EXPORT ADMINISTRATION ACT.--The Export Administration
2 Act of 1979 is amended--

3 (1) in section 5(b), by striking out "set forth in
4 section 620(f)" and inserting in lieu thereof "on the
5 list established pursuant to section 6201(d)"; and

6 (2) in section 6(k)(2), by striking out "section
7 502B" and inserting in lieu thereof "sections
8 6201(a)(2) and 6302(a)".

9 (e) TITLE 5, UNITED STATES CODE.--Subchapter II of
10 chapter 53 of title 5, United States Code, is amended--

11 (1) in section 5314, by striking out "Director,
12 Institute for Scientific and Technological
13 Cooperation.";

14 (2) in section 5315, by striking out "Deputy
15 Director, Institute for Scientific and Technological
16 Cooperation."; and

17 (3) in section 5316, by striking out "Additional
18 officers, Institute for Scientific and Technological
19 Cooperation (2)".

20 (f) TITLE 10, UNITED STATES CODE.--Title 10, United
21 States Code, is amended--

22 (1) in section 114(c)(1) and (c)(2), by striking out
23 "Arms" and inserting in lieu thereof "Defense Trade
24 and";

25 (2) in section 130(a), by striking out "Arms" and

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1 inserting in lieu thereof ``Defense Trade and``;

2 (3) in section 2208(i)(3), by striking out ``Arms``
3 and inserting in lieu thereof ``Defense Trade and``;

4 (4) in the table of sections for subchapter II of
5 chapter 138, by striking out ``Arms`` in the item
6 relating to section 2305b and inserting in lieu thereof
7 ``Defense Trade and``;

8 (5) in section 2305b--

9 (A) in the section heading by striking out
10 ``Arms`` and inserting in lieu thereof ``Defense
11 Trade and``; and

12 (B) by striking out ``Arms`` each place it
13 appears in subsections (a)(1), (b), (c)(1), and
14 (d)(3) and inserting in lieu thereof ``Defense Trade
15 and``;

16 (6) in section 2350c(a)(4), by striking out ``Arms``
17 each place it appears and inserting in lieu thereof
18 ``Defense Trade and``;

19 (7) in section 2350d(e)--

20 (A) in the subsection caption by striking out
21 ``ARMS`` and inserting in lieu thereof ``DEFENSE
22 TRADE AND``; and

23 (B) in the text, by striking out ``Arms`` and
24 inserting in lieu thereof ``Defense Trade and``;

25 (8) in section 2344(b)(2)(B), by striking out

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1 "Arms" and inserting in lieu thereof "Defense Trade
2 and";

3 (9) in section 4542(d)(2)(A), by striking out
4 "Arms" and inserting in lieu thereof "Defense Trade
5 and"; and

6 (10) in section 7307(b)(1)--

7 (A) by striking out "Arms" and inserting in
8 lieu thereof "Defense Trade and"; and

9 (B) by striking out "or chapter 2 of part II of
10 the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et
11 seq.)".

12 (g) EXPORT-IMPORT BANK ACT.--Section 2(b)(6) of that Act
13 is amended--

14 (1) in the text of subparagraph (B) preceding clause
15 (i), by striking out "Arms" and inserting in lieu
16 thereof "Defense Trade and";

17 (2) in subparagraph (B)(iii), by striking out
18 "481(h)(5)" and insert in lieu thereof "4402(e)";

19 (3) in subparagraph (C)(ii), by striking out
20 "481(i)" and insert in lieu thereof "7601(e)";

21 (4) in subparagraph (E), by striking out "security
22 assistance for purposes of section 502B of the Foreign
23 Assistance Act of 1961" and insert in lieu thereof
24 "assistance under the Foreign Assistance Act of 1961 for
25 purposes of section 6201(a)(2) of that Act"; and

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1 (5) in subsection (G), by striking out "Arms" and
 2 inserting in lieu thereof "Defense Trade and"

3 (h) ANGLO-IRISH AGREEMENT SUPPORT ACT.--The Anglo-Irish
 4 Agreement Support Act of 1986 is amended--

5 (1) in section 4(a), by striking out paragraphs (1)
 6 through (4) and inserting in lieu thereof the following:

7 "(1) Section 1501 of the Foreign Assistance Act of
 8 1961 (relating to the housing and urban development
 9 guarantee program).

10 "(2) Chapter 1 of title III of that Act (relating to
 11 the Trade and Development Agency).

12 "(3) Chapter 2 of title III of that Act (relating to
 13 the Overseas Private Development Corporation), without
 14 regard to the limitation contained in section
 15 3201(b)(2)."; and

16 (2) in section 5(a), by striking out "531(e) and
 17 660(a)" and inserting in lieu thereof "1243 and 6202"

IN GENERAL:

Make other technical corrections as appropriate.

Chairman FASCELL. This en bloc amendment makes various changes in the committee print, to correct drafting errors, to make conforming changes, and to make changes for the sake of clarity.

It has been drafted by both the majority and minority staff. And it brings us up to date as far as we have gone. I hope we will not need another one, but chances are we probably will. We will try to reserve the next technical amendment, if one is necessary, for the end of the bill.

VOTE ON THE FASCELL EN BLOC AMENDMENT

Is there any discussion or any questions?

If not, the question is on agreeing to the technical amendment.

All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

TITLE I

Mr. Goss, do you have an amendment on page 16. I had a reservation for you there.

Mr. Goss. Mr. Chairman, I am going to withdraw that reservation.

Chairman FASCELL. All right. We had a reservation for you on page 25. Do you care to offer that one?

GOSS AMENDMENT—ROLE OF BUSINESS IN ECONOMIC ASSISTANCE PROGRAM

Mr. Goss. Mr. Chairman, I have an amendment at the desk on that, on page 25.

Chairman FASCELL. You say it is not on 25?

Mr. Goss. It is on page 25.

Chairman FASCELL. Right.

The Chief of Staff will report the Goss amendment, please.

Mr. BRADY. Amendment offered by Mr. Goss, page 25, strike line 6 through 11 and insert the following.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for amendment.

[The amendment of Mr. Goss follows:]

GOSS04

ENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. GOSS OF FLORIDA

Page 25, strike lines 6 through 11, and insert the following:

1 (11)(A) Expanded improvements in the physical and
2 economic infrastructure of developing countries,
3 including expanded availability and improvements in the
4 quality of basic infrastructure, such as shelter, water,
5 and electricity,

6 (B) developmentally sound trade and commercial
7 opportunities for continued United States involvement and
8 participation in infrastructure assistance,

9 (C) increased use of United States technical
10 expertise, primarily in the private sector, in carrying
11 out subparagraphs (A) and (B), in order to improve
12 preproject planning and environmental impact assessments
13 of projects, and otherwise; and

14 (D) continued monitoring of the provision of
15 infrastructure assistance to ensure that it conforms to
16 the four basic objectives set forth in section 1102.

Chairman FASCELL. The Chair recognizes the gentleman from Florida in support of his amendment.

Mr. Goss. Thank you, Mr. Chairman.

I came to this amendment after some discussion with our colleagues, Mr. Gejdenson and Mr. Houghton, who have I think worked out another amendment which is going to be coming forward which was supposed to precede this, and this is complementary to that amendment but can stand on its own also, in my view.

The purpose of this amendment is basically to get one of our most forceful tools and that is U.S. business involved in the purposes of our foreign assistance program, that is, economic assistance and reduction of poverty. The language I think is relatively non-controversial. I cannot feel that this is threatening to anybody. I think it is extremely beneficial to our foreign assistance program as well as to our own nation.

My view for saying that is because many people explain to us that they want our foreign assistance dollars to take into consideration not only people overseas but our own needs in the United States of America and jobs in this country. And I believe this amendment underscores the suggestion that we should use American business. We are being asked by the developing nations to provide for American business. A.I.D. receives those requests. Delegations to our various offices, certainly mine, have been regular and intense, increasingly intense, particularly with regard to the Initiative for the American Enterprise programs the President has launched about getting U.S. business involved.

I have very little further to say about it because I think it speaks so well for itself. If there are any questions, I would be happy to respond to them.

Chairman FASCELL. Mr. Goss, just as a matter of understanding here.

I am looking at paragraph 11 on page 25 of the bill.

Mr. Goss. That is correct.

Chairman FASCELL. Obviously, there must be something in your language which is different from Paragraph 11 or am I—

Mr. Goss. I think it is. I think it adds that emphasis to underscoring business. It adds horsepower to business. It does not specifically state anything differently, but adds on the question of using—

Chairman FASCELL. In other words, you are just re-writing that paragraph?

Mr. Goss. And adding to it.

Chairman FASCELL. Well, the changes you are making are not readily evident. Can you tell me where your amendment differs from the bill language?

The continued monitoring, is that part of the—

Mr. Goss. Well, continued monitoring is, I think—

Chairman FASCELL. Increased use of technical expertise?

Mr. Goss. I think essentially that is the area that we need to, that we need to get into basic infrastructure such as shelter, water and electricity questions using business.

We speak primarily, in the private sector here. I think this goes a little further than that.

"Developmentally sound trade in commercial opportunities, for continued United States involvement and participation infrastructure and systems." would appear to me the core statement here, because it adds emphasis there.

Chairman FASCELL. Because paragraph 11, as it stands, reads "expanded availability and improvements in the quality of basic infrastructure, such as shelter, water, and electricity, making use of U.S. technical expertise, primarily in the private sector, to improve pre-project planning and environmental impact assessments of projects."

That seems to be the core of what you're talking about.

Mr. Goss. It is and I have expanded it to include specifically the idea of developmentally sound trade in commercial opportunities.

So often we have these words, but we do not have really a clear signal to our business or to our people that this is what we want to do and I think that the time has come for that and I think this says it better.

Mr. Goss. I am not sure that you agree but—

Chairman FASCELL. Well, I think you add "continued monitoring" to see whether or not the objectives are met. I certainly agree with that. I don't have any objection to the amendment. I was just seeking clarification.

Mr. Goss. I think that continued monitoring closes out—that is my sub section [d], that tends to close out the sub section [b], which is the beginning and sub section [d] is the end.

I agree with you that that is an important part of it.

We don't keep score very well sometimes and we do not measure very well and I think that the continued monitoring will enhance in that area.

VOTE ON THE GOSS AMENDMENT

Chairman FASCELL. Well, I certainly agree with that.

Is there further discussion on the Goss amendment?

[No response.]

If not, the question is on agreeing to the amendment.

All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

The ayes have it and the amendment is agreed to.

Mr. Goss. Thank you, Mr. Chairman.

PENDING AMENDMENTS TO TITLE I

Chairmen FASCELL. Now let me see—Mr. Owens has a reservation.

Mr. Houghton—you are not ready yet?

Mr. HOUGHTON. I am sorry, Mr. Chairman.

Chairman FASCELL. Mr. Owens, we have a reservation for you. Do you want to pursue that at this point or can we scratch you off the list in Title I?

Mr. OWENS. I withdraw that, Mr. Chairman.

Chairman FASCELL. All right, good. At present, I have reservations for Mr. Kostmayer in two cases, and he cannot be here be-

cause he is chairing a subcommittee hearing. He will be here later to take up those reservations.

I have one reservation for Mr. Bereuter.

Let us see if we can find out whether or not he is going to pursue that.

Now, that is all the Chair has on Title I.

PENDING AMENDMENTS TO TITLE II

On Title II, the only one I have, and we are still working on it, is the arms transfer restraint policy statement which we are still trying to hammer out.

Are there any other reservations on Title II? Mr. Hyde?

Mr. HYDE. Mr. Chairman, I have got a rather complicated amendment on munitions controls, but Mr. Berman and Mr. Gejdenson should probably be here.

Chairman FASCELL. Okay.

Mr. HYDE. So I am ready to go—

Chairman FASCELL. Is this a policy statement, Henry, on restraint or some kind of a control regime?

Mr. HYDE. Well, I would say that it is, yes. It is an important amendment that changes—that locks in the President and the Secretary of State as the people who designate which items go on the Munitions Control List.

Chairman FASCELL. I agree with you. I think that Mr. Berman and Mr. Gejdenson should be here. So I will hold that reservation.

Mr. HYDE. All right. That is on page 155.

Chairman FASCELL. All right, page 155.

Mr. HYDE. Right.

TITLE III

Chairman FASCELL. Now, the Chair will designate Title III.

Are there any amendments to Title III in the amendment box?

Does anybody have any reservations or know of any with regard to Title III? We will protect everybody, of course, but I would like to get a sense of what we can expect.

TITLE IV

Title IV is designated. Are there any amendments or reservations with regard to Title IV? Are there any in the box?

Mr. Gilman do you have reservations on Title IV?

Mr. GILMAN. We are pretty much complete, but I do not see Mr. Feighan here and I want to give him an opportunity to—

Chairman FASCELL. I would appreciate that, because we are going to try and finish the bill this week if we can.

TITLE V

All right, the Chair will designate Title V.

Are there any amendments—Mr. Weiss, do you have an amendment?

I recognize the gentleman from New York.

Mr. WEISS. Thank you, Mr. Chairman.

I intend to offer an amendment concerning Africa which would affect both Title V and Title X.

I believe that the most appropriate place to offer the amendment would be during the debate on Title X and therefore, I ask unanimous consent that the amendment that I intend to offer for Title X be allowed to be refer back to Title V.

Chairman FASCELL. Without objection, the gentleman will be protected.

Mr. WEISS. Thank you.

Chairman FASCELL. Mr. Bereuter has a reservation on Title V.

Do we have any idea how far along he is on the amendment? If he will be prepared to offer it during our next session, fine.

Are there any other matters on Title V that we ought to know about?

Mr. Dymally, you have a couple of amendments on private sector development and womens role in development.

Mr. DYMALLY. That is the Caribbean—the Western Hemisphere.

DYMALLY AMENDMENT—COMMUNITY-BASED ENTERPRISES IN PRIVATE SECTOR DEVELOPMENT

Chairman FASCELL. Do you want to take those up?

Mr. DYMALLY. Yes, Mr. Chairman.

Mr. BRADY. Amendment offered by Mr. Dymally, page 278, line 21—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with and it will be printed in the record and open for amendment.

[The amendment of Mr. Dymally follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. DYMALLY

Page 278, line 21, strike "that" and all that follows through line 24 and insert the following: "and community-based enterprises that would promote economic growth that benefits the majority of the people of the region."

Chairman FASCELL. And the gentleman from California is recognized in support of his amendment.

Mr. DYMALLY. Mr. Chairman, this amendment comes out of a joint hearing held in Barbados by the Subcommittee on International Operations and the Subcommittee on the Western Hemisphere a couple years ago, and it is now being pursued by myself and Mr. Mfume and so all it does is ask that the community based enterprises that would promote economic growth benefit the people of the region.

That's the first amendment, Mr. Chairman.

Mr. LAGOMARSINO. Mr. Chairman, I have not seen this before. I am concerned about striking out the words, "private sector led growth" however.

Would the gentleman explain what—what does the amendment do?

Mr. DYMALLY. The intent of this amendment is to increase support for community based enterprises and address their need to develop exports for investments in the Caribbean which are appropriate for the region's needs.

Mr. LAGOMARSINO. Does it strike at the private sector?

Mr. DYMALLY. If it does, that is not the intent of the amendment. I assure you.

LAGOMARSINO AMENDMENT TO THE DYMALLY AMENDMENT

Mr. LAGOMARSINO. I would think that the gentleman's purpose might be achieved by adding this to the language that is already in there because I think that the language that is in there is good.

Mr. DYMALLY. I will accept that amendment from the gentleman, by adding instead of deleting the present language.

Mr. LAGOMARSINO. So your language would be just as it stands?

Mr. DYMALLY. Yes.

Mr. HAMILTON [presiding]. Does the Chair understand, then, that the language in the bill would remain the same, and you would just be adding the language in your amendment, Mr. Dymally?

Mr. DYMALLY. That is correct, Mr. Chairman.

Mr. HAMILTON. "And community based enterprises that would promote economic growth that benefits the majority of the people of the region."

Mr. DYMALLY. That is correct.

Mr. HAMILTON. Is that acceptable to the gentleman from California?

Mr. LAGOMARSINO. Yes, it is.

VOTE ON THE DYMALLY AMENDMENT AS AMENDED

Mr. HAMILTON. Is there any further discussion on the amendment of the gentleman from California?

If not, the Chair will put the question.

All in favor will say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed, no.

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is adopted.

DYMALLY AMENDMENT—WOMEN'S ROLE IN DEVELOPMENT

Mr. DYMALLY. Mr. Chairman, I have another amendment, page 280, line 22.

Mr. HAMILTON. Mr. Dymally is recognized in support of his amendment. The clerk will distribute the amendment, and the clerk will read the amendment.

Mr. BRADY. Amendment offered by Mr. Dymally—

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record and open for amendment.

[The amendment of Mr. Dymally follows:]

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AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY MR. DYMALLY

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Page 280, line 22, strike the period and insert the following:

1 , particularly through--

2 (1) the promotion of greater access by women to
3 productive resources and services, such as land, credit,
4 and markets;

5 (2) programs that respond to and support women's
6 domestic needs and activities, including the
7 strengthening of community-based education, health, and
8 childcare programs and other critical social services
9 identified by poor women; and

10 (3) the involvement of Caribbean women in research
11 on the factors that contribute to their economically
12 vulnerable situation and in programs that address these
13 factors.

Mr. HAMILTON. The Chair recognizes the gentleman from California.

Mr. DYMALLY. Mr. Chairman, the purpose of this amendment is to promote women in development by giving them real access to productive resources, creating programs to support their domestic needs and insure their involvement and participation in the economy.

The contribution has been a big one and they are in dire need of education, health and child care programs.

By highlighting our concern for their full integration into all aspects of the community, we can strengthen their role and assist the most prevalent victims of poverty in the Caribbean and throughout the Third World, women and children.

The language is not new. It had been agreed to previously for inclusion under this section of the bill, and I ask my colleagues for support.

Again, this came out of the hearings in Barbados between Mr. Mica and Mr. Crockett.

Mr. HAMILTON. Any discussion? Mr. Lagomarsino, do you have any comment?

Mr. LAGOMARSINO. Mr. Chairman, I have just examined the amendment right now, but it seems all right to me.

VOTE ON THE DYMALLY AMENDMENT

Mr. HAMILTON. Any further discussion on the amendment by the gentleman from California?

If not, the Chair will put the question on the amendment.

All in favor say aye.

[Chorus of ayes.]

Those opposed, no.

[No response.]

Mr. HAMILTON. The ayes have it, and the amendment is adopted. Mr. Hyde?

RESERVATIONS FOR TITLES IX AND V

Mr. HYDE. Mr. Chairman, Pakistan appears in Title V and IX. Mr. Lagomarsino, Mr. Leach, Mr. Burton and myself have amendments on Pakistan and we would like to consider them in Title IX when we get to it.

Mr. HAMILTON. Permission will be granted for that purpose.

Mr. HYDE. Thank you.

Mr. HAMILTON. Are there any further amendments at this time?

Mr. DYMALLY. Mr. Chairman, I would like to reserve some time on Title V. We are trying to confirm an amendment.

Mr. HAMILTON. All right. The gentleman's reservation is noted and will be protected.

TITLE VI

The Chair designates Title VI for amendments.
Are their amendments to Title VI? Mr. Weiss.

**WEISS AMENDMENT—EXEMPTIONS FROM PROHIBITIONS ON
DEVELOPMENT ASSISTANCE**

Mr. WEISS. I have an amendment for Title VI.

Mr. HAMILTON. The clerk will distribute and report the amendment.

Mr. BRADY. Page 318, after Line 19—

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record and open for amendment. The Chair recognizes the gentleman from New York, in support of the amendment.

[The amendment of Mr. Weiss follows:]

(aids4)

AMENDMENT TO THE COMMITTEE PRINT OF 5/6/91
OFFERED BY MR. WEISS

Page 318, after line 19, insert the following:

1 "SEC. 6109. EXEMPTION FROM PROHIBITIONS FOR ASSISTANCE TO
2 ADDRESS CERTAIN SPECIAL NEEDS.

3 "(a) EXEMPTION FROM PROHIBITION.--Funds made available
4 under any provision of this Act for activities described in
5 section 1201(d)(4) (relating to child survival activities),
6 section 1201(d)(5) (relating to the prevention and control of
7 acquired immune deficiency syndrome (AIDS)), or section
8 1201(d)(6) (relating to activities to address the special
9 needs of displaced children) may be used to support such
10 activities notwithstanding any provision of law which
11 restricts assistance to foreign countries, except as specified
12 in subsection (b).

13 "(b) EXCEPTIONS.--Subsection (a) does not apply with
14 respect to section 2808 or any comparable provision of law
15 prohibiting assistance to countries that support international
16 terrorism.

Mr. WEISS. Thank you very much, Mr. Chairman.

I believe that this is a non-controversial amendment. This amendment would give the administration the authority to provide three types of development assistance—for AIDS prevention, child survival and displaced children—withstanding certain restrictions in current law.

This proposal is not a new one. A similar provision was approved by this committee and by the full House in H.R. 2655, the fiscal year 1990-1991 foreign aid authorization.

This authority is already current with respect to AIDS control programs as a result of the fiscal 1991 foreign aid appropriations bill.

This amendment address the fact, Mr. Chairman, that certain types of development problems are genuinely transnational. That is, their negative effects are not limited by the boundaries of any one country.

The AIDS epidemic is just such a transnational problem. Failure to address this disease in one nation can have profound effects on the entire region.

My amendment gives the administration the authority to provide assistance in three basic areas, AIDS prevention, child survival and displaced children, notwithstanding certain restrictions in current law.

An example might be an African nation that temporarily falls behind in repaying loans to the United States. My amendment would not require the administration to continue programs in this case, it would merely allow these programs to continue if the administration so determined.

In keeping with current law and with the prior actions of this committee, the amendment makes one exception to the Notwithstanding Clause. The amendment would not allow such aid to countries that support international terrorism.

I move adoption of the amendment, Mr. Chairman.

VOTE ON THE WEISS AMENDMENT

Mr. HAMILTON. Is there any further discussion on the amendment? If not, the Chair will put the question. All those in favor will signify by saying aye.

[Chorus of ayes.]

Opposed, no.

[No response.]

And the amendment is agreed to.

TITLE VII

Mr. HAMILTON. The Chair will now designate Title VII. Are there any amendments to Title VII?

HYDE AMENDMENT—ASSISTANCE TO NICARAGUA

Mr. HYDE. I have an amendment, Mr. Chairman.

Mr. HAMILTON. The clerk will distribute and report the amendment.

Mr. BRADY. Amendment of Mr. Hyde—

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record and open for amendment. The Chair recognizes the gentleman from Illinois in support of his amendment.

[The amendment of Mr. Hyde follows:]

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[MAY 20, 1991]

AMENDMENT TO TITLE VII OF THE COMMITTEE PRINT DATED 5/6/91

OFFERED BY MR. HYDE

Page 436, after line 13, insert the following:

1 (a) CONSIDERATIONS IN PROVIDING ASSISTANCE.--Prior to
 2 providing assistance to Nicaragua for fiscal year 1992 or
 3 1993 under the Foreign Assistance Act of 1961, the President
 4 should take into account the extent to which the Government
 5 of Nicaragua has--

6 (1) brought the Nicaraguan armed forces under full
 7 civilian control, including--

8 (A) effectively eliminating the influence of
 9 political parties within the military command; and

10 (B) stemming the illegal export of lethal
 11 equipment consistent with Nicaraguan obligations in
 12 the Central American peace process; and

13 (2) undertaken thorough and professional
 14 investigations into, and prosecution of those responsible
 15 for, human rights violations including--

16 (A) the deaths or disappearances of former
 17 members of the Nicaraguan resistance; and

18 (B) the February 1991 murder of Enrique Bermudez.

19 (b) MILITARY ASSISTANCE.--In providing any foreign
 20 military financing assistance to the Government of Nicaragua

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1 for fiscal year 1992 or 1993, the President should consider
2 the extent to which such assistance will further the goals of
3 strengthening civilian control over the military, ending
4 human rights abuses, and stemming the export of lethal
5 military equipment.

6 (c) LIMITATION ON ASSISTANCE TO MEMBERS OF THE NICARAGUAN
7 RESISTANCE.--

Mr. HYDE. Thank you Mr. Chairman.

My amendment seeks to ensure that U.S. assistance to Nicaragua will further the goals of strengthening civilian control over the military, ending human rights abuses, and stemming the export of lethal military equipment.

The human rights abuses of the Sandinista regime appear to have outlived the government of Daniel Ortega. In my opinion this is in a large part due to the continued role of Daniel Ortega's brother, Humberto, at the head of the Nicaraguan military.

Among the tragic abuses occurring in Nicaragua are the deaths or disappearance of former Nicaraguan resistance members. In particular, I would like to see a full investigation into the murder of former resistance leader Enrique Bermudez.

I do not hold the government of President Violeta Chamorro responsible for the human rights abuses in Nicaragua. She is under extreme pressure from Sandinista holdovers in the military, and hard line street demonstrators otherwise known as Turbas Divinas.

Efforts by the Chamorro government to redirect failing industries and pare back bloated state bureaucracies—perhaps the only two monuments to the Sandinista era—have been frustrated by Sandinista inspired street violence. Meanwhile, the Sandinista-run security apparatus stands by idly while the mobs do their bidding.

The root of the problem in Nicaragua is the absence of full civilian control over the military. The Nicaraguan people by a resounding vote threw the Sandinista government out of power. Unfortunately, the military leadership does not run for popular election. In light of this situation, I think that we must ensure that our assistance dollars in no way assists the Sandinista military leadership.

The Nicaraguan army has been implicated several times in the past year in the illegal transfer of lethal military equipment across the borders of neighboring Honduras and El Salvador. This is in direct contravention to their obligations under the Central America peace process.

Mr. HAMILTON. Is there any further discussion?

Mr. TORRICELLI. Mr. Chairman.

Mr. HAMILTON. Mr. Torricelli.

Mr. TORRICELLI. I want to make clear that the acceptance of this amendment should in no way be interpreted as any criticism—or any U.S. right to criticize—the decisions of the democratically elected government of Nicaragua as to who shall occupy positions in the government.

Having made that one explanation and expressed that possible reservation, I believe the gentleman has made a good contribution to the bill by his statements with regard to arms exportation, human rights abuses and, indeed, the investigation of the tragic murder Enrique Bermudez.

I thank the Chairman.

Mr. HAMILTON. Is there any further discussion?

The gentleman from California, Mr. Lagomarsino.

Mr. LAGOMARSINO. Mr. Chairman, I want to rise in support of the amendment.

I think it is a very good one. As the gentleman pointed out, it is a sense of Congress resolution. It gives the President, though, some bargaining power with the Chamorro government and I think actu-

ally it will help the Chamorro government which is very important.

I think personally, Mrs. Chamorro is doing a good job under very, very difficult circumstances. She has people not only in the opposition who are sniping at her, but people who were formerly allied with her.

It is a very, very tough place for her to be but as evidence of the fact that she apparently is trying and that is the perception of the people in Nicaragua, she is even more popular today, I understand, than when she was elected.

A lot more needs to be done and the gentleman is correct, unless the thing as outlined in his amendment here are done, the future hopes of Nicaragua are not very good.

So I strongly support the amendment and urge my colleagues to support it too.

Mr. HAMILTON. Is there any further discussion?

Mr. GOSS. Mr. Chairman.

Mr. HAMILTON. Mr. Goss.

Mr. GOSS. Thank you, Mr. Chairman. I would also like to register my strong support for this amendment.

There is a particular point that I think this under scores and sends a very excellent signal and that is, the last time I was in Nicaragua, which was just at the time of the election, it was referred to as the Sandinista army, not as the Army of the Republic of Nicaragua and I think that is the distinction that has caused a great deal of problems, in fact.

And, I think, that this particular amendment will send a signal that we well understand that the military's proper role is under the civilian government and not in the hands of a now voted out of office, political party. Thank you.

VOTE ON THE HYDE AMENDMENT

Mr. HAMILTON. Any further discussion on the Hyde amendment?

[No response.]

If not, the Chair will put the question on the amendment.

All in favor say, aye.

[Chorus of ayes.]

Those opposed no.

[No response.]

The ayes have it and the amendment is adopted.

RESERVATIONS TO TITLE VII

Mr. LAGOMARSINO. Mr. Chairman.

Mr. HAMILTON. Mr. Lagomarsino.

Mr. LAGOMARSINO. I would like to request reservations for myself for an amendment to Title VII, for Mrs. Ros-Lehtinen, and a reservation on Section 732, I guess it is, on aid limitations.

Mr. HAMILTON. And that is a reservation for you and—

Mr. LAGOMARSINO. Yes. And the one I mentioned for Mrs. Ros-Lehtinen.

Mr. HAMILTON. There are two reservations.

Mr. LAGOMARSINO. Three reservations.

Mr. HAMILTON. There are three reservations?

Mr. LAGOMARSINO. Yes. Overall Title VII and the two specific ones on the Nicaragua amendment and on and the aid limitation initiative amendment.

Mr. HAMILTON. Without objection, the gentleman's rights will be reserved.

Mr. Weiss.

CLARIFYING STATEMENT ON WEISS AMENDMENT TO TITLE VI

Mr. WEISS. Mr. Chairman, I would like unanimous consent to be able to make a clarifying statement on the dialogue we had on the Title VI amendment that I had offered.

Mr. HAMILTON. Yes.

Mr. WEISS. I understand now that the staff—my staff has had a conversation with the State Department's representative and, in point of fact, our representation that the prohibition of granting and not withstanding, of course, terrorist countries is, in fact, current law and that is agreed to now by both the administration and the staff.

Mr. HAMILTON. I thank the gentleman.

Any further amendments to Title VII?

RESERVATION TO TITLE VII

Mr. TORRICELLI. Mr. Chairman.

Mr. HAMILTON. Mr. Torricelli, the chairman of the subcommittee.

Mr. TORRICELLI. Mr. Chairman, first, if I could make a reservation, I would like to reserve the right to come back to page 432, line 1, on the question of Guatemala. We are still working with the minority and hope to reach an accord on Guatemala shortly, but in the event that we pass this Title, I would like the right to come back.

Mr. HAMILTON. Without objection, the reservation is noted.

TORRICELLI EN BLOC AMENDMENT TO TITLE VII

Mr. TORRICELLI. Mr. Chairman, I have amendments to pages 448, 449 and 452 to be distributed.

Mr. HAMILTON. Is this the en bloc amendment?

Mr. TORRICELLI. I would ask that they be considered en bloc, Mr. Chairman.

Mr. HAMILTON. The clerk will distribute the Torricelli amendment and the clerk will report the amendment.

Mr. BRADY. Page 448, Line 17—

Mr. HAMILTON. Without objection, the amendment will be considered as read, printed in the record, and open for amendment at any point.

[The amendments of Mr. Torricelli follows:]

AMENDMENTS TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. TORRICELLI

Page 448, line 17, strike out "and"; and after line 17 insert the following new paragraph (4) and redesignate existing paragraph (4) as paragraph (5):

(4) programs to improve penal institutions and the rehabilitation of offenders; and
Page 449, at the end of line 15, add the following: This subsection does not apply with respect to training provided under section 4201 (relating to international narcotics control assistance).

Page 452, strike out lines 3 through 9 (section 744).

Mr. HAMILTON. The Chair recognizes the gentleman from New Jersey in support of the amendment.

Mr. TORRICELLI. Mr. Chairman, I actually have three amendments and I have asked that all three be considered en bloc.

Mr. HAMILTON. They are all on this same piece of paper that has just been distributed, is that correct?

Mr. TORRICELLI. I would simply request that they be considered en bloc.

Mr. HAMILTON. Without objection, they may be considered en bloc.

Mr. TORRICELLI. Mr. Chairman, the first two amendments are to Section 741 of the bill, "Assistance for Law Enforcement."

This first amendment corrects an oversight in the drafting of HR 2655. In transferring the authorities for law enforcement assistance for Latin America and the Caribbean from the Foreign Assistance Act to the re-write, HR 2655, the authority for programs to improve penal institutions and the rehabilitation of offenders was inadvertently left out. This omission is repeated in the bill before us.

My amendment restores this authority.

The second amendment exempts narcotics control assistance from the provision in Subsection F, that police training in the Caribbean may only be provided by the Justice Department.

And the third amendment strikes Section 744 of the bill, which mandates an aid cut off in the event of a military coup.

This matter is taken care of generically in Section 6201.

We have worked these amendments out with the minority. I believe that the minority approves them and they should not be controversial.

Mr. LAGOMARSINO. Will the gentleman yield?

Mr. TORRICELLI. I yield to the gentleman.

Mr. LAGOMARSINO. The gentleman stated it correctly, the minority does approve of the amendments and urges their adoption.

VOTE ON THE TORRICELLI AMENDMENT

Mr. HAMILTON. Any further discussion on the en bloc amendment of the gentleman from New Jersey?

[No response.]

Mr. HAMILTON. All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed no.

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is adopted.

Mr. Goss, do you have an amendment?

GOSS AMENDMENT—ASSISTANCE FOR DEMOCRATIC LEGISLATURES IN CENTRAL AMERICA

Mr. Goss. Mr. Chairman, I have an amendment at the desk.

Mr. HAMILTON. The clerk will distribute the amendment and the Clerk will read the amendment.

Mr. BRADY. Page 437, at line——

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record and open for amendment.

[The amendment of Mr. Goss follows:]

**AMENDMENT OFFERED BY REP. GOSS
TO THE COMMITTEE PRINT DATED 05/06/91**

Page 437, after line 8 insert the following:

SECTION 716. ASSISTANCE FOR DEMOCRATIC LEGISLATURES

(a) FINDINGS. — The Congress finds that —

(1) Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama all have freely elected governments and freely elected legislatures for the first time in the history of Central America;

(2) the Central American legislatures face economic, political, social, and institutional challenges in fulfilling their constitutional responsibilities; and

(3) the lack of equipment and resources poses an additional challenge for Central American legislatures in fulfilling their constitutional responsibilities.

(b) STRENGTHENING DEMOCRATIC LEGISLATURES. — It is the sense of Congress that —

(1) consistent with the purposes set forth in Section 1221(b) of this Act, the United States should seek to strengthen the democratic legislatures in Central America and Panama by using foreign assistance funds made available under this Act to provide equipment and training to those legislatures; and

(2) efforts to support legislatures in Central America ^{including Haiti} and Panama should be coordinated with and otherwise involve appropriately qualified private and public sector experts.

Mr. HAMILTON. The Chair recognizes the gentleman from Florida in support of his amendment.

Mr. Goss. Thank you, Mr. Chairman.

I have a written statement which I would like to include in the record and summarize if I may.

Mr. HAMILTON. Without objection, it will be included.

[Statement of Mr. Goss follows:]

PREPARED STATEMENT OF HON. PORTER J. GOSS

Mr. Chairman, today I am introducing an amendment to title VII of the 1991 Foreign Aid bill urging the provision of foreign assistance to support legislative development in Central America and Panama to strengthen democracy in the region. It is my hope that this amendment will help to keep the United States focused on Central America and to reaffirm our commitment to seeing the Democratic process succeed.

The defeat of Communism in this region and around the world has been a central goal of United States foreign policy since World War II. In recent times we have witnessed the collapse of the Berlin Wall, and cheered the freedom movements in eastern Europe and the Soviet Union. We have watched with pride as the nations in our own hemisphere made significant strides toward democracy. But the region's grip on democracy is tenuous.

Over this past year many of us have been approached by Central American Parliamentarians requesting assistance with training, equipment, and other resources. They recognize the need for strengthened legal systems, streamlined judiciaries and more effective constituent services to build a popular support base. Each of us shares a common interest in seeing the Democratic process succeed, and it is important that we follow through on our commitment to democracy in the region.

Mr. Michel, Mr. Fascell, Mr. Broomfield, Mr. Torricelli, Mr. Lagomarsino, Mr. Yatron, Mr. Bereuter, Mr. Hamilton, Mr. Hyde, Mrs. Meyers, Mr. Johnston, Ms. Ros-Lehtinen and other distinguished members of the committee have all expressed strong bi-partisan support for this concept.

Of course, this amendment is designed to set the tone for a longstanding, ongoing partnership between the United States and Central America—a workable foreign aid package providing reasonable debt relief and encouragement for greater economic development is needed. I know we all share a common interest in seeing the Democratic process succeed. This amendment outlines our commitment to helping the Central American community and Panama strengthen their Democratic foundation and sends a clear message that we stand behind them in support of democracy.

It is my hope that the chairman and the other distinguished members will join me in supporting this amendment.

Mr. Goss. Mr. Chairman, this is a new section that addresses the question of assistance for democratic legislatures in Central America.

This I believe is bipartisan. I believe it is a Sense of Congress and I believe it is non controversial and it does not have any ear marks in it.

The purpose of it is to respond to the same phenomenon that we are fortuitously seeing all over the world, the emergence of democracy and finding the appropriate ways to enhance that, in this case, in Central America.

As many of us know, the statement has been made about some elections in Central America that they have free, fair democratic elections every six years and elect a new dictator.

Part of the problem in Central America is that there has not been enough strength in the legislative function, the parliament function—the assembly function. The same function we enjoy here as legislators. And there have been requests for assistance.

This section merely designates that it is the understanding, in Congress, it is the understanding of this committee, in our foreign

assistance efforts, that we will set out ways to assist the development of democratic legislatures in Central American countries and Panama, to provide equipment and training and so forth to assist to that end.

As I said, I would be happy to answer any questions, but I think it is fairly straight forward. Thank you Mr. Chairman.

Mr. DYMALLY. Will the gentleman yield?

Mr. GOSS. I will yield.

Mr. DYMALLY. In Section B, Paragraphs 1 and 2, you have Central America and Panama.

Are we suggesting that Panama is not part of Central American?

Mr. GOSS. I did not use that as a term of art, I used it to be clear and that is what Legislative Counsel suggested that we use.

I am not trying to make a judgment on whether Panama is or is not, but I think that the reason that it was put in that way was to make sure that it was included. Since Panama was not a part of the five President's deliberations, this will make it crystal clear.

Mr. DYMALLY. I thank the gentleman.

BERMAN AMENDMENT TO THE GOSS AMENDMENT

Mr. BERMAN. Would the gentleman yield?

Mr. GOSS. Surely.

Mr. BERMAN. Could you perhaps say Central America including Panama?

Mr. GOSS. I would be happy to make that change.

I ask unanimous consent that the bill be changed on its face.

Mr. HAMILTON. Is there any objection?

[No response.]

Mr. HAMILTON. The Chair sees none.

Any further discussion?

Mr. LAGOMARSINO. Mr. Chairman.

Mr. HAMILTON. Mr. Largomarsino.

Mr. LAGOMARSINO. Mr. Chairman, I strongly support this amendment.

But I would like to say that, lest there be implications to the contrary from adoption of the amendment, that AID is doing a good job and is interested in doing what the amendment calls for. Indeed they are, not only in this area, but certainly in Eastern Europe, as well as that and other organizations funded by the U.S. Congress.

But it is certainly true, as the gentleman from Florida pointed out that in many cases there is a free and fair election and the people come into office and then they find they really don't know how to conduct themselves as legislators and they are, of course, at a disadvantage with their executive branch.

And it is important that we help them to achieve competence in that field, so I hope the committee will adopt the amendment.

VOTE ON THE GOSS AMENDMENT AS AMENDED

Mr. HAMILTON. Any further discussion?

The Chair will put the question. All in favor of the amendment by the gentleman from Florida, Mr. Goss, will say aye.

[Chorus of ayes.]

Mr. HAMILTON. Opposed, no

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is adopted.
Are there further amendments to Title VII?

Is there a reservation for Mr. Engel's amendment?

The Chair will ask unanimous consent—

Mr. LAGOMARSINO. Mr. Chairman, I will reserve it for him.

Mr. HAMILTON. The Chair then reserves the amendment for Mr. Engel and Mr. Lagomarsino for Title VII.

Any further amendments to Title VII?

TITLE VIII

If not, the Chair will designate Title VIII.

HAMILTON AMENDMENT TO TITLE VIII

The Chair will call up an amendment to Title VIII. It is an amendment of technical corrections and changes.

The clerk will distribute the amendment. And the clerk will report the amendment.

Mr. BRADY. Page 457, line 8, strike out 660 and insert in lieu thereof 6202.

Mr. HAMILTON. Without objection, the amendment is considered as read and printed in the record and open for amendment at any point.

[The amendment of Mr. Hamilton follows:]

ICA91A087

[May 20, 1991]

AMENDMENTS TO TITLE VIII OF THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. HAMILTON

Page 457, line 8, strike out ``660`` and insert in lieu thereof ``6202``.

Page 468, line 19, strike out ``containg`` and insert in lieu thereof ``containing``.

Page 477, strike out line 18 and insert in lieu thereof the following:

1 ``(4) Bulgaria, and

Page 477, line 19, strike out ``(4)`` and insert in lieu thereof ``(5)``.

Page 486, line 21, strike out ``whenever possible`` and insert in lieu thereof ``to the maximum extent practicable``

Page 496, line 13, strike out ``whenever possible`` and insert in lieu thereof ``to the maximum extent practicable``

Page 497, line 24, strike out ``whenever possible`` and insert in lieu thereof ``to the maximum extent practicable``

Page 500, after line 9, insert the following:

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1 “(j) COORDINATION OF ENVIRONMENTAL INITIATIVES.--The
 2 Administrator of the Environmental Protection Agency and the
 3 Administrator of the Agency for International Development
 4 shall jointly, and in cooperation, select the environmental
 5 initiatives and policies for carrying out subsections (b),
 6 (c), (d), and (i). Specific environmental programs or
 7 projects shall be evaluated and carried out by those agencies
 8 or departments of the United States which have traditional
 9 and recognized expertise in the program area, or by
 10 nongovernmental organizations, as appropriate to their
 11 respective expertise.

Page 500, line 10, strike out “(j)” and insert in lieu thereof “(k)”; line 24, strike out “(k)” and insert in lieu thereof “(l)”; and page 502, line 11, strike out “(l)” and insert in lieu thereof “(m)”.

Page 500, beginning in line 13, strike out “Administrator of the Agency for International Development” and insert in lieu thereof “President”.

Page 500, at the end of line line 24, insert the following:

12 Assistance under this Act (other than assistance provided
 13 through Enterprise Funds under section 201 or through

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1 enterprise funds or similar entities under section 202) shall
 2 be provided consistent with section 1241 of the Foreign
 3 Assistance Act of 1961.

Page 501, strike out line 1 and all that follows through line 10 on page 502.

Page 502, strike out line 21; line 23, strike out "(A)" and insert in lieu thereof "(1)"; page 503, line 1, strike out "(B)" and insert in lieu thereof "(2)"; and strike out lines 10 through 14.

Page 504, line 2, strike out "sections 221 aand 222" and insert in lieu thereof "section 1701".

Page 506, line 15, strike out "shall" and insert in lieu thereof "should".

Page 508, line 13, strike out "part" and insert in lieu thereof "title"; page 511, line 22, strike out "part" and insert in lieu thereof "title"; and line 23, strike out "22" and all that follows through the semicolon in line 24.

Page 518, line 19, after "of" insert "a".

Page 519, line 8, strike out "SOVIET" and insert in lieu thereof "THE REPUBLIC OF"; line 20, strike out "and" the first place it appears; and line 21, strike out "to" and insert in lieu thereof ", and the construction of housing for".

Mr. HAMILTON. The Chair recognizes himself for five minutes in support of the amendment.

This amendment is simply an amendment that makes a number of technical corrections. There are changes that have been worked out between the majority and the minority and resolved a number of problems that the administration had with the draft language.

The Chair recognizes the gentleman from New York.

Mr. GILMAN. Thank you, Mr. Chairman. I just would like to note that all of these changes have been agreed to by the minority and are the result of an extensive review of the proposed amendments. There are no objections by the minority.

VOTE ON THE HAMILTON AMENDMENT

Mr. HAMILTON. Any further discussion of the amendment?

If not, the Chair will put the question on the amendment offered by myself.

All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed, no.

[Chorus of ayes.]

Mr. HAMILTON. The ayes have it and the amendment is adopted. Are there other amendments on Title VIII, Mr. Gilman?

RESERVATIONS TO TITLE VIII

Mr. GILMAN. On behalf of Mr. Broomfield, I would like your permission to come back to Title VIII for purposes of amendment.

Mr. HAMILTON. The Chair notes the reservation.

Mr. HYDE. Mr. Chairman.

Mr. HAMILTON. Mr. Hyde.

Mr. HYDE. Mr. Chairman, I would like to reserve the opportunity to offer an amendment to Section 813 of the committee print. We are working on it now with Mr. Levine.

Mr. HAMILTON. All right. The Chair notes the reservation by the gentleman, Mr. Hyde.

SECTION 814—RESTRICTIONS ON NEGOTIATIONS WITH THE PLO

Mr. HYDE. And, Mr. Chairman, I was going to offer an amendment on Section 814. I will not. But I wonder if I might comment on Section 814 in lieu of offering an amendment.

Mr. HAMILTON. The gentleman is recognized.

Mr. HYDE. I thank you, Mr. Chairman.

Mr. Chairman, Section 814 is a well-intentioned part of this legislation, and what it says in essence is that no officer or employee of the United States Government and no agent or other individual action on behalf of the United States Government shall negotiate with the Palestine Liberation Organization or representative thereof unless an until the PLO recognizes Israel's right to exist, amends its charter to reflect such recognition, clearly and unequivocally accepts United Nations Security Council Resolutions 242 and 338, and renounces and ceases the use of terrorism by any group represented on the Palestine Liberation Organization Executive Committee or Palestine National Council.

Now, I certainly agree that the PLO is about as loathsome an organization as exists in the world. They are a terrorist organization, and I can well understand Israel's reluctance, abhorrence, with any intercourse with the PLO whatsoever, including negotiation.

The proscription has been extended to the United States and we have observed that. Except for a period of time when we felt it might be productive to move towards peace in that very troubled region.

In any event, my objection to what is in the bill, but I shall not offer an amendment for another reason, which I will mention shortly, is that the President of the United States has the executive power and the supreme power in terms of foreign policy formulation and this is an unconstitutional restriction on the President by telling him who he or his designees may not talk to.

It seems to me inherent in the Office of the President is the ability and the power under the Constitution to talk to anybody in the world. However, this has been the law, and that is my reluctance to offer an amendment. I would not want to send a signal to anybody that we are stepping back from existing law. We, under existing law, are forbidden, the President is forbidden to do that. I think it is an unconstitutional encroachment on the power of the presidency, but nonetheless, I think the purpose is salutary and I would not ever want to indicate a retrenchment, a stepping back, from that proscription against talking to an organization that is in its heart and soul terrorist.

So I am not offering an amendment at this time or at anytime on this issue, but I would want to state that I do believe it is an unconstitutional encroachment, however noble its purpose, on the presidential power and I know presidents are very jealous of their power because they want to hand the presidency on to any successor unimpaired, and I think this part of the bill is an encroachment on that authority.

But that said, I have purged myself of my discomfort and I will not offer an amendment.

RESERVATION TO TITLE VIII

Mr. SOLARZ. Mr. Chairman.

Mr. HAMILTON. The gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I would like to make a reservation. I will have an amendment to Title VIII on Turkey.

I note that Mr. Broomfield and Mr. Yatron and a number of the other Members who evinced a special interest in this question are not here. In deference to them and to others on the committee who share their concerns, I would like to put this off until some more appropriate moment.

Mr. HAMILTON. The reservation by the gentleman from New York is noted.

DYMALLY AMENDMENT—EARMARK FOR WEST BANK AND GAZA

Mr. DYMALLY. Mr. Chairman, I have an amendment at the desk, page 458.

Mr. HAMILTON. The clerk will distribute the amendment of the gentleman from New York, Mr. Dymally.

Mr. DYMALLY. Mr. Chairman, in summary—

Mr. HAMILTON. Just a moment. The clerk will report the amendment.

Mr. BRADY. The amendment offered by Mr. Dymally, page 458—

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record, and open for amendment at any point.

[The amendment of Mr. Dymally follows:]

ICA91A019

[May 21, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. DYMALLY

Page 458, line 12 and line 13, strike out ``\$16,000,000`` and insert in lieu thereof ``\$25,000,000``; and at the end of line 14, add the following: ``The amount required to be used pursuant to this subsection for a fiscal year shall be reduced by the amount of assistance provided under the Agricultural Trade Development and Assistance Act of 1954 for that fiscal year for programs in the West Bank and Gaza.``.

Page 458, line 10, strike out ``PROGRAM`` and insert in lieu thereof ``PROGRAMS``; at the beginning of line 11, insert ``(a) LEVEL OF ECONOMIC ASSISTANCE.--``; and after line 14, insert the following:

- 1 (b) OPIC PROGRAMS.--Not later than 6 months after the
- 2 date of enactment of this Act, the Secretary of State, in
- 3 coordination with the Overseas Private Investment
- 4 Corporation, shall submit to the appropriate congressional
- 5 committees a report on the reasons why the corporation does
- 6 not provide support under its programs for projects in the
- 7 West Bank and Gaza. The report shall include a discussion of
- 8 any changes that would be required in order for the
- 9 corporation to provide support for such projects.

Mr. HAMILTON. The gentleman from New York is recognized in support of his amendment.

Mr. DYMALLY. Thank you very much, Mr. Chairman. I would much prefer California, however.

Mr. HAMILTON. I am sorry, California.

Mr. DYMALLY. Mr. Chairman, in summary, the amendment increases the earmark for the West Bank from \$16 million to \$25 million.

According to news reports and witness testimony, the economic situation for the Palestinians on the West Bank and Gaza have worsened. The January 31, 1991, issue of the Wall Street Journal reported that the impact of the Gulf War, specifically the loss of the 100,000 jobs Palestinians formerly employed in Israel, the long curfew during which families could not work or even tend to their crops and livestock, and the loss of remittances as tens of thousands lost their jobs in Kuwait, all amount to 20 percent of the West Bank and Gaza's \$2 billion GNP. That is about \$400 million.

Aid to the West Bank and Gaza is only \$16 million, no match for the tremendous hardships suffered by the population there. And increasing our aid to \$25 million will go a long way as a gesture of good will at a time when we are engaged in getting both the Palestinians and Israelis to sit down at the peace table.

Mr. Chairman, I ask for an aye vote.

I also, Mr. Chairman, learned that OPIC does not provide credit insurance for investments of American citizens on the West Bank and I am asking for a report on that issue.

Mr. HAMILTON. The Chair would address the question just for clarification here. You are striking out the \$16 million and inserting \$25 million?

Mr. DYMALLY. That is correct, sir.

Mr. HAMILTON. So you are increasing the amount of money for the West Bank and Gaza.

Mr. DYMALLY. By \$9 million.

Mr. HAMILTON. And where is that money coming from?

Mr. DYMALLY. I wish you had not asked the question. But I hope that at the end of the—we can reconcile that—but if we have to go someplace, Mr. Chairman, I suspect we could look at the amount earmarked for Jordan or Pakistan and take some of that money there. I think the Pakistan money has been spoken for, but maybe we can get some of that from Jordan.

Mr. HAMILTON. The Chair would point out that this item was increased, as I am sure the gentleman from California knows, from \$12 million, which was the administration request, to \$16 million. And now you are requesting an additional \$9 million, if I understand it.

Mr. DYMALLY. Yes.

Mr. HAMILTON. Is there further discussion of the amendment?

Mr. GILMAN. Mr. Chairman.

Mr. HAMILTON. Mr. Gilman.

Mr. GILMAN. As I recall our debate on raising the fund, which our subcommittee supported, we were very much concerned about trying to keep within the budgetary constraints throughout our mark-up. And now we are adding another \$9 million.

I recall how just adding a few million created quite a bit of consternation in the committee on one item or another to try to stay within the budgetary constraints, and I would urge our colleague, while we are certainly—we want to make certain that there is going to be adequate funds to take care of the problems in the West Bank and in Gaza, making a further increase of \$9 million over the initial \$12 million that we discussed, and then the addition put on by the subcommittee taking it up to \$16 million, makes a total of about \$13 million of an increase from the administration's request. I am asking my colleague to give some thought to whether this would be appropriate under the budgetary concerns that we have.

Mr. DYMALLY. Well, I think it is appropriate considering the fact, Mr. Gilman, that you were the first one to bust the budget with your earmarking. The first amendment offered here went beyond that which was earmarked by the committee, so I find it rather interesting, very ironical, that you would raise the issue when you were the first offender.

Mr. GILMAN. Well, I certainly supported the increase in the initial request that was made from \$12 million to \$16 million, and what I am questioning now, is it appropriate that we go from \$16 million up to \$25 million.

Mr. DYMALLY. Well, it is small potatoes considering the need that exists in the West Bank and considering the amount of monies we have authorized on other issues including those which you authorized in the first amendment offered to the foreign assistance bill last week, Mr. Gilman.

Mr. GILMAN. Just a further question, if the gentleman would yield for a question. Has his amount been discussed with the administration?

Mr. DYMALLY. A lot of discussions have taken place. I personally have not spoken but other people have.

ADMINISTRATION POSITION ON DYMALLY AMENDMENT

Mr. HAMILTON. I would direct a question to the administration on this amendment if I may. And I would like to get their judgment, if they can give it to me now, about the ability to absorb this additional funding.

Your request was \$12 million. We moved it up in the subcommittee to \$16 million. And I think that might be an acceptable figure, but I just wonder whether the administration has a judgment with respect to the PVOs' ability to absorb this money. This is a large increase.

Do you have anybody that can speak to that?

Identify yourself if you would, please.

Mr. PECKHAM. Gardner Peckham, Deputy Assistant Secretary of State for Legislative Affairs.

Mr. Chairman, your question was—

Mr. HAMILTON. I am wondering about the ability of the PVOs in the West Bank and Gaza to absorb this large increase. In other words, whether or not they could spend the money effectively.

Mr. PECKHAM. Our opinion, Mr. Chairman, is that at this time their absorptive capacity does not permit them at this time to spend additional money effectively.

Mr. HAMILTON. I thank the gentleman for his comment.

The Chair will just acknowledge that I think the gentleman from California's amendment is very well taken and tries to meet a real need. In the subcommittee, we did try to move somewhat in the direction that he has indicated but we did not move to the same extent that he has suggested because of the feeling on our part that they would not be able to absorb this large an increase. So the Chair, I regret to say to the gentleman, is constrained to oppose the amendment.

Any further discussion with respect to the amendment?

VOTE ON THE DYMALLY AMENDMENT

The Chair will put the question on the amendment. All those in favor of the amendment offered by Mr. Dymally say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed, no.

[Chorus of noes.]

Mr. HAMILTON. In the opinion of the Chair, the noes have it. The noes have it and the amendment is rejected.

Are there further amendments?

Mr. DYMALLY. Mr. Chairman, can we have a hand, a showing of hands, on that?

Mr. HAMILTON. Without objection, we will take a show of the hands.

All those in favor of the Dymally amendment, raise their hand.

[A show of hands.]

Mr. HAMILTON. And those opposed likewise.

[A show of hands.]

Mr. HAMILTON. Five are in favor, six are opposed. The amendment is rejected.

Are there further amendments?

The Chair recognizes Mr. Torricelli.

RESERVATION TO TITLE VIII

Mr. TORRICELLI. Mr. Chairman, first on the question of Turkey in section 8, I would like to reserve the right to return as Mr. Solarz has.

Mr. HAMILTON. The Chair will note the reservation.

TORRICELLI AMENDMENT—1981 ISRAELI STRIKE AGAINST IRAQI NUCLEAR REACTOR

Mr. TORRICELLI. Second, Mr. Chairman, I have an amendment with regard to—

Mr. HAMILTON. The clerk is distributing the amendment. The clerk will read the amendment.

Mr. HAMILTON. Is this the amendment on page 472?

Mr. TORRICELLI. No, but I can reverse my order. That's fine.

Mr. HAMILTON. OK. The clerk will report the amendment.

Mr. BRADY. The amendment offered by Mr. Torricelli. Page 472—

Mr. HAMILTON. Without objection, the amendment is printed in the record and open for amendment.
[The amendment of Mr. Torricelli follows:]

ICA91A08

[May 6, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

Offered by Mr. Torricelli

Page 472, after line 2, add the following:

1 SEC. 816. 1981 ISRAELI PREEMPTIVE STRIKE AGAINST THE IRAQI
2 NUCLEAR REACTOR AT OSIRAK.

3 (a) FINDINGS.--The Congress finds that--

4 (1) on June 7, 1981, the Israeli air force launched a
5 preemptive strike against the Iraqi nuclear reactor at
6 Osirak;

7 (2) on June 19, 1981, the United Nations Security
8 Council adopted Resolution 487 which condemned that
9 Israeli preemptive strike;

10 (3) in the years following that Israeli preemptive
11 strike, Iraq demonstrated an ability and willingness to
12 use weapons of mass destruction, as evidenced by chemical
13 weapons attacks against both Iranian military forces and
14 Kurdish Iraqi citizens;

15 (4) in 1990, Iraqi President Hussein attempted to
16 illegally acquire triggering devices for atomic bombs,
17 and also threatened to use weapons of mass destruction
18 against both neighboring Arab countries and Israel;

19 (5) in August 1990, Iraq invaded and occupied Kuwait,
20 demonstrating a continuing policy of aggression;

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1 (6) after United States-led coalition forces attacked
2 the Iraqi forces on January 16, 1991, Iraq attempted to
3 draw Israel, a non-belligerent country, into the conflict
4 by launching 42 Scud missiles at Israel; and

5 (7) there is no evidence that the Israeli preemptive
6 strike against the Iraqi nuclear reactor at Osirak
7 delayed efforts to resolve the Arab-Israeli conflict.

8 (b) POLICY DECLARATIONS.--It is the sense of the Congress
9 that--

10 (1) the 1981 Israeli preemptive strike against the
11 Iraqi nuclear reactor at Osirak was a legitimate and
12 justifiable exercise of self-defense which also reduced
13 the threat of Iraqi nuclear aggression against countries
14 bordering Iraq; and

15 (2) the United States should seek the repeal of
16 United Nations Security Council Resolution 487 which
17 condemned that 1981 Israeli preemptive strike.

Mr. HAMILTON. And the gentleman is recognized in support of his amendment.

Mr. TORRICELLI. Mr. Chairman, the United States, having just concluded a difficult and dangerous engagement against Iraq, in part justified our military engagement because of the looming threat of Iraq becoming an atomic power, and the danger of it having a nuclear arsenal.

There is a page of hypocrisy, Mr. Chairman, in our history, and that is that we have justified this conflict, in my judgment appropriately, while the record contains that in 1981 this nation voted in the Security Council of the United Nations to condemn the Israelis for having taken a preemptive strike against the Iraqi nuclear reactor at Osirak.

Mr. Chairman, both judgments cannot be right. Israel, in fact, feared that Iraq was moving towards building an atomic arsenal and acted for her own self-defense in destroying that reactor. Then certainly she cannot be wrong when only months ago part we justified our own military actions in part on the same concern.

Clearly, when Israel determined that this was the Iraqi ambition, they were not wrong. And clearly we cannot still conclude that a nation that believes that an adversary had that ambition is wrong to disarm its would-be attacker.

My amendment, Mr. Chairman, simply makes the policy declaration that it is the sense of this Congress that the Israeli action in 1981 was a justified exercise in self-defense which reduced the threat of Iraqi nuclear aggression. And that it is a policy of the United States that the United Nations Security Council should in fact repeal its resolution, which did not simply take issue with the Israeli action, but in fact condemned Israel's action in 1981.

Thank you, Mr. Chairman.

Mr. HAMILTON. Any further discussion of the amendment of the gentleman from New Jersey?

Mr. LEVINE. Mr. Chairman.

Mr. HAMILTON. The Chair recognizes the gentleman from California, Mr. Levine.

Mr. LEVINE. Just very briefly, Mr. Chairman, I want to commend my friend from New Jersey for introducing this amendment. It is one that I was pleased to co-sponsor with him when he introduced it as a resolution on the floor. I would hope that the administration would understand that it would be entirely appropriate for them to go to the United Nations and seek the repeal of Security Council Resolution 487. I would very much hope that not only would we pass this amendment, but that the administration would be convinced, and I am sure there is bipartisan support for the administration taking this action, not to ignore it but in fact to act upon it in a prompt fashion.

And I want to again commend the gentleman for introducing it.

Mr. HAMILTON. Mr. Lagomarsino.

Mr. LAGOMARSINO. Yes. Mr. Chairman, I want to support the amendment also. I think, though, that in all fairness 1991 is not 1981, and that although the whole world is now well aware that Saddam Hussein is a brutal aggressor, I do not think it was that clear in 1981, but the amendment certainly is appropriate. I think

we should seek repeal of the Resolution in the U.N., and I strongly urge my colleagues to support this amendment.

Mr. HAMILTON. Any further discussion on the amendment.

The gentleman from New Jersey, Mr. Goss.

Mr. Goss. Thank you, Mr. Chairman.

I am going to support the amendment because the sense of it is very compelling. But I am concerned that it not be misinterpreted, the language that suggests that this was a legitimate and justifiable exercise in self-defense to be used by other countries at other times to warrant or justify out-of-country aggression.

I can think, for instance, that if you apply that principle to, say, a small country off the shore of the state I live in, we could probably have a justifiable self-defense mechanism to go in there and destroy the nuclear capabilities that may exist. And I want to make certain that this applies only to the situation we are talking about as a retrospective review.

Thank you, Mr. Chairman.

Mr. HAMILTON. The gentleman from New York, Mr. Solarz.

Mr. SOLARZ. Thank you, Mr. Chairman.

I was not aware that my good friend from New Jersey was going to offer this amendment but I want to commend him for doing so. I would characterize it as an anti-hypocrisy amendment.

I recall very vividly at the time that Israel destroyed the Osirak reactor that most countries around the world, including our own, denounced it for doing so, while privately expressing relief that the Israelis had saved the region from the possible use of nuclear weapons at a later date by Iraq.

As things turned out, we can all thank God that the Israelis had the courage to act in the way they did when they did. If they had not, there is a very good chance that Iraq would have had nuclear weapons by now, and might very well have used them in its war against Iran. They did, after all, use poison gas, which was also an internationally prohibited weapon. So they probably would have used nuclear weapons. And even if they had not used them against Iran, had they acquired such weapons, it would have vastly complicated our efforts to repulse the Iraqi annexation of Kuwait.

Clearly the verdict of history, if not of contemporaries at the time, will be that this was an action which was eminently justifiable.

I think the gentleman's amendment will help to set the record straight and will demonstrate that even though it sometimes takes a decade to learn the appropriate lessons, eventually they do sink in.

I join with my other colleagues in urging the adoption of this amendment.

VOTE ON THE TORRICELLI AMENDMENT

Mr. HAMILTON. The question is on the gentleman's amendment. All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Opposed, no.

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is adopted.

Mr. TORRICELLI. Mr. Chairman.
Mr. HAMILTON. Mr. Torricelli.

TORRICELLI AMENDMENT—U.N. SECRETARY GENERAL'S PEACE
INITIATIVE FOR CYPRUS

Mr. TORRICELLI. Mr. Chairman, I have a final amendment at the desk.

Mr. HAMILTON. The clerk will distribute the amendment and the clerk will read the amendment.

The Chair would like to handle this and Mr. Engel's amendment very quickly if we can.

Mr. TORRICELLI. This will be very brief, Mr. Chairman.

Mr. BRADY. Amendment offered by Mr. Torricelli—

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record, and open for amendment.

[The amendment of Mr. Torricelli follows:]

ICA91A012

[May 6, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91

OFFERED BY MR. TORRICELLI

Page 473, after line 2, insert the following:

1 SEC. 825. UNITED NATIONS SECRETARY GENERAL'S PEACE

2 INITIATIVES REGARDING CYPRUS.

3 (a) FINDINGS.--The Congress finds that--

4 (1) the United States and Cyprus have close, long-
5 standing ties;6 (2) resolution of the Cyprus conflict is important
7 for peace and stability in the Eastern Mediterranean and
8 to the interests of the United States;9 (3) the Secretary General's proposals constitute an
12 important step in the search for a solution on Cyprus;
13 and
1415 (4) the intercommunal talks on Cyprus have been
16 suspended.

17 (b) POLICY DECLARATIONS.--The Congress--

18 (1) declares its support for the United Nations
19 Secretary General's peace initiatives regarding Cyprus on
1 the basics of United Nations Security Council
2 resolutions and6 (2) encourages both parties on Cyprus to
7 cooperate with the Secretary General.

Mr. HAMILTON. The Chair recognizes the gentleman.

Mr. TORRICELLI. Mr. Chairman, my amendment is a simple statement of hope, and that is that among the world's most intractable problems is the current division and intercommunal strife that remains on Cyprus.

My amendment simply asks again that the administration express all hope, faith and expend whatever efforts are necessary to support the Secretary General of the United Nations in his efforts to bring the communities together.

It has, Mr. Chairman, been my belief for some time that a solution on Cyprus is far more possible than most people believe, and that, in fact, the parties' substantive positions are not actually that far apart. With continued emphasis by the Secretary General and with the active involvement of the State Department, this problem indeed can be solved and my resolution speaks only to that effect.

Thank you, Mr. Chairman.

HAMILTON AMENDMENT TO THE TORRICELLI AMENDMENT

Mr. HAMILTON. I am informed that the fourth paragraph, line 15, "the intercommunal talks on Cyprus have been suspended" is not accurate. That the talks are still ongoing.

Can the gentleman—

Mr. TORRICELLI. Recessed may have been a better word, Mr. Chairman. They are not now in session.

Mr. HAMILTON. My understanding is the talks are going on. I wonder if the gentleman would just omit the fourth paragraph.

Mr. TORRICELLI. I ask unanimous consent that the fourth paragraph be omitted.

Mr. HAMILTON. Is there an objection to that?

The Chair hears none.

VOTE ON THE TORRICELLI AMENDMENT AS AMENDED

The question is on the amendment of the gentleman from New Jersey.

All in favor say aye.

[Chorus of ayes.]

Mr. SOLARZ. Mr. Chairman.

Mr. HAMILTON. I am sorry?

Mr. SOLARZ. On page 2, line 1, this may perhaps be a reflection of the haste with which the amendment was drafted, but "basics" I think should be "basis."

Mr. HAMILTON. Is that correct?

Mr. TORRICELLI. Yes.

Mr. SOLARZ. If the gentleman does not object.

Mr. TORRICELLI. It is painful to take Mr. Solarz' correction, Mr. Chairman, but I stand corrected.

Mr. HAMILTON. The question is on the amendment of the gentleman from New Jersey, as amended.

All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. All opposed, no.

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is agreed to.

ENGEL AMENDMENT—SOVIET ASSISTANCE TO CUBA

The Chair recognizes the gentleman from New York, Mr. Engel.

Mr. ENGEL. Thank you, Mr. Chairman. I want to thank you and Mr. Torricelli for your willingness to have this amendment.

Mr. HAMILTON. The clerk will distribute the amendment.

Mr. ENGEL. I have the amendment at the desk. I want to thank Chairman Fascell for his support.

Mr. HAMILTON. The clerk will read the amendment. Without objection, it is considered as read.

[The amendment of Mr. Engel follows:]

ICA91A040

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. ENGEL

Page 524, after line 11, insert the following:

- 1 SEC. 868. SOVIET AID TO CUBA.
- 2 (a) FINDINGS.--The Congress finds that--
- 3 (1) the Soviet Union has ended its economic subsidies
- 4 to many nations which were formerly ruled by oppressive
- 5 communist regimes;
- 6 (2) Fidel Castro's regime in Cuba continues to ignore
- 7 internationally accepted standards of human rights;
- 8 (3) the Cuban centrally planned economic system would
- 9 have collapsed long ago without outside assistance from
- 10 the Soviet Union;
- 11 (4) Castro continues to deny Cuban citizens their
- 12 right to a democratic government;
- 13 (5) a cutoff of Soviet assistance to Cuba would be
- 14 consistent with American policy with respect to Cuba; and
- 15 (6) a cutoff of Soviet assistance to Cuba would be
- 16 consistent with a spirit of cooperation between the
- 17 United States and the Soviet Union.
- 18 (b) STATEMENT OF POLICY.--It is the sense of the Congress
- 19 that--
- 20 (1) President Bush should place Soviet cessation of

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1 aid to Cuba high on his list of objectives for the
2 upcoming United States-Soviet summit meeting;

3 (2) a Soviet cutoff of aid to Cuba should remain a
4 high priority in United States-Soviet relations until the
5 Soviet Union ends its economic and military support to
6 the repressive Castro regime; and

7 (3) a democratically-elected government in Cuba
8 should remain a significant goal of American foreign
9 policy.

Mr. HAMILTON. The Chair recognizes the gentleman from New York.

Mr. ENGEL. Thank you, Mr. Chairman.

The amendment discusses the sense of Congress that President Bush should place Soviet cessation of aid to Cuba high on his list of objectives for the upcoming summit with Mr. Gorbachev.

It also says the Soviet cutoff of aid to Cuba should remain a goal of American foreign policy until the Soviet Union ends economic and military support to the Castro regime.

And, thirdly, it says that a democratically elected government in Cuba should remain a significant goal of American foreign policy.

And let me just add briefly. In an era when countries such as Albania are making moves towards democracy, the Castro regime is fast becoming an anachronism. Its refusal to make substantial reforms, either economically or politically, places it in the company of extremist regimes such as that of North Korea.

The Castro regime would have fallen under its own weight years ago if it were not for Soviet support. While Soviet support has declined in the recent past, it continues to flow to Cuba to prop up a government that has no legitimacy.

This amendment sends a clear signal that the Foreign Affairs Committee in Congress continues to oppose the oppressive and undemocratic Castro regime and any international support for it.

The administration has indicated to me informally that it supports the policy content of the amendment and I have gotten clear indications that the amendment has strong support on both sides of the aisle.

And at this point, I would like to yield to the gentlewoman from Florida, Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Engel.

Mr. Chairman, just to say that it was a pleasure to work with Mr. Engel in the drafting of this amendment, and I thank you, Mr. Chairman, as well as Mr. Torricelli, for the opportunity to offer it. And I echo his sentiments.

Mr. HAMILTON. Any further discussion?

Mr. TORRICELLI. Mr. Chairman.

Mr. HAMILTON. Mr. Torricelli.

Mr. TORRICELLI. I would like to congratulate both the gentleman from New York and the gentlelady from Florida for a thoughtful and important amendment.

Mr. Chairman, the amendment speaks to a simple truth. There is nothing that the Soviet Union could do, no signal that would be more meaningful, than a change in Soviet support for Cuba. That statement alone would bring Soviet and American relations to the point of the kind of mutual embrace that we all hope for. The amendment speaks to that and it deserves support.

VOTE ON THE ENGEL AMENDMENT

Mr. HAMILTON. Any further discussion?

If not, the Chair will put the question on the amendment offered by Mr. Engel.

All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed.

[No response.]

Mr. HAMILTON. The ayes have it. The amendment is adopted.

The committee stands in recess until 1:30 p.m.

[Whereupon, at 12 m. the committee recessed, to reconvene at 1:30 the same day.]

AFTERNOON SESSION

Mr. HAMILTON. The committee will come to order.

When the committee recessed we were considering amendments in Title VIII. We are still in Title VIII.

And the Chair will recognize Mr. Kostmayer for an amendment.

KOSTMAYER AMENDMENT—CONDITIONS ON FUTURE ARMS SALES TO KUWAIT

Mr. KOSTMAYER. Thank you very much, Mr. Chairman.

I have an amendment at the desk.

Mr. HAMILTON. Will the clerk distribute the amendment, please.

Mr. KOSTMAYER. I ask unanimous consent that it be considered as read.

Mr. HAMILTON. Without objection, it is so ordered. And as soon as it is distributed, I will recognize you in support of the amendment.

[The amendment of Mr. Kostmayer follows:]

ICA91A073

[May 14, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. KOSTHAYER

Page 472, after line 2, insert the following:

1 SEC. 816. DEMOCRATIC REFORM AND HUMAN RIGHTS IN KUWAIT.

2 (a) FINDINGS.--The Congress finds that--

3 (1) on January 16, 1991, the United States led a 28
4 nation coalition in military action to eject Iraq from
5 Kuwait and implement the 12 United Nations Security
6 Counsel resolutions regarding Iraq's invasion of Kuwait;

7 (2) it is United States policy to promote the cause
8 of human rights and the development of democratic
9 institutions in Kuwait and around the world;

10 (3) there are the continuing reports of torture and
11 extrajudicial killings in Kuwait, allegedly carried out
12 by Kuwaiti armed forces and members of "resistance"
13 groups against those who are alleged to have collaborated
14 with the Iraqi occupation; and

15 (4) there is a lack of political rights in Kuwait,
16 manifest in part by the 1986 suspension of the elected
17 national assembly and the restricted nature of the
18 franchise in Kuwait.

19 (b) RESTRICTION ON ARMS SALES.--Sales may not be made to

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1 Kuwait under the Defense Trade and Export Control Act, and
2 licenses may not be issued under section 38 of that Act for
3 the export to Kuwait of any item on the United States
4 Munitions List, unless the President certifies to the
5 appropriate congressional committees that the Government of
6 Kuwait has--

7 (1) put an end to the occurrences of arbitrary
8 arrest, torture, and extrajudicial killing by Kuwaiti
9 armed forces and resistance groups;

10 (2) clarified the legal basis for arrest and
11 detention in Kuwait;

12 (3) ensured that those detained have access to legal
13 counsel and to humanitarian and human rights groups;

14 (4) ensured that the rights to a speedy trial, due
15 process, and a meaningful appeal of any sentence are
16 accorded to each and every detainee;

17 (5) acted with all deliberate speed to redefine
18 Kuwaiti citizenship in a manner consistent with
19 international custom and practice and to extend the right
20 to vote to all citizens irrespective of sex or literacy;
21 and

22 (6) established a date certain, that is not later
23 than June 1, 1992, on which parliamentary elections will
24 be held.

Mr. HAMILTON. The gentleman from Pennsylvania is recognized.

Mr. KOSTMAYER. Mr. Chairman, anyone who can read a newspaper knows what is going on in Kuwait. It is, in my view, pretty deplorable.

I will read a very brief excerpt from yesterday's New York Times. "Kuwait today put on trial the first of hundreds of people accused of collaborating with the Iraqi occupation forces, sending five men to prison, including one for 15 years whose only publicly disclosed offense was wearing a T-shirt with President Saddam Hussein's picture on it."

This kind of thing apparently is happening again today in that country, Mr. Chairman, and I do not think that we assisted in reinstating the regime in Kuwait to see them do this—engage in these kinds of activities.

My amendment is simple. It would ban any future arms sales to Kuwait unless the President certifies that they have met six conditions which are outlined in the amendment.

And I ask unanimous consent on page 2, number 5, to delete the words "with all deliberate speed to redefine Kuwaiti citizenship in a manner consistent with international customer and practice and—"

Mr. HAMILTON. So that paragraph 5 would read "Acted to extend the right to vote to all citizens irrespective of sex or literacy."

Mr. KOSTMAYER. That is correct, Mr. Chairman.

Mr. HAMILTON. Without objection, that amendment is agreed to. Mr. Lagomarsino.

Mr. LAGOMARSINO. Mr. Chairman, this is the first time I have seen this amendment. There are things in it that are true, at least according to press accounts.

I understand that some of the things that were reported yesterday were incomplete. For example, out of 600 arrested, I understand that 300 have been released.

Also, it is true that the Government is about to announce elections, I am told. They have not set a date yet but I understand it is going to be sooner than perhaps we had thought they would be.

And one of the things that is a matter of great concern in Kuwait, even among the democratic opposition, is that the proceeding towards democracy should be done according to the 1962 Constitution. And under that Constitution, the Parliament is given the right, nobody else, to define who can vote.

And it is the feeling of many Kuwaitis, including some who were in the resistance, who stayed there and fought the Iraqis at great risk to their lives, that any extension of the right to vote, which they all support, to women and to others, should be done by the new Parliament. That new Parliament is not going to be elected until sometime next year.

So I think that from that standpoint we are asking the Government, you are asking the Government here to do something that they should not do. It should not be up to the Government of Kuwait, as distinguished from the Parliament, to decide who votes. That should be up to the duly elected people there.

In the meantime, if we cut off all the arms sales, there could be problems with the police being able to maintain order there. I do not think that would be—

I would ask the gentleman if he would consider withdrawing—pulling the amendment at this point and adding it to the arms control bill that Mr. Hamilton and Mr. Fascell, I understand, are working on right now.

Mr. KOSTMAYER. Well, I appreciate my friend's concern, and I do not have any problem making a distinction between the Government and the Parliament and if the gentleman would like to say Parliament rather than Government, for number 5, that is fine.

But I do not want to withdraw it because I think, along with so many other people in this country, got up yesterday and again today and read these absolutely outrageous stories. These people were not allowed to have lawyers. There was no evidence presented at all. People sent off the jail for 15 years for wearing a T-shirt. This is madness. We helped that country.

We reinstated this regime. The Emir—well, I will not say anything about the Emir. This is no democracy going on. And I do not see why this country has to stand by and see these things happen.

The American people do not think it is right. I do not think it is right. And I do not think this amendment should be controversial. This amendment leaves it up to the President to certify, not up to us, but up to the President to certify whether these very reasonable conditions have been met before arms sales proceed.

So that is a distinction—that is a determination which the President would make.

I think the amendment is very moderate and very reasonable. And what is going on in Kuwait today is outrageous and repulsive and that this committee and this Congress and this country ought to speak out against it in clear and unequivocal terms.

Mr. LAGOMARSINO. Well, if the gentleman would yield again.

Mr. KOSTMAYER. Yes, indeed.

Mr. LAGOMARSINO. I agree with much of what the gentleman said. I am just wondering if this is the best way to bring about what we all want there.

Mr. KOSTMAYER. I do not think you can do this too quickly or too vigorously. Think of those people in prison, who are rotting in a prison today who have not even had a lawyer and not been allowed to present evidence. We do not need to quarrel over the proper vehicle. It is an outrage.

And this committee ought to speak out today while this is going on over here today and I hope the Emir reads the paper. And finds out what we did. And corrects it.

Mr. HAMILTON. Any further discussion?

Mr. Miller.

Mr. MILLER. Mr. Chairman, I think there is two purposes here, and one of which I share with the gentleman from Pennsylvania. I think one purpose is to send a message, as I take it. And I think it is a timely message.

The other purpose gets into the specifics here of restricting sales of arms under the Defense Trade and Export Control Act, with a list of six specific conditions that have to be met.

I am a little less convinced that this is the right vehicle or the exact wording of these six conditions is appropriate. In terms of setting this up as the standard for arms sales, which I assume we would apply to any country, and I am looking through all of these

with these different procedures, and I am wondering if we are really ready to apply this to every country.

I guess what I am searching for is a way to send a message to the Government of Kuwait, the Parliament, the Government, the Emir, whoever, that sends a strong message without us acting rather speedily on what seems to be—I am sure the gentleman from Pennsylvania thought it through—but it is a very detailed piece of legislation, Mr. Chairman, which I assume in the interest of consistency we would want to apply to any country, and I have not given it enough thought and consideration—maybe the other Members of the committee have—whether we want to apply it to every country.

Mr. Chairman, I have a question for you.

Mr. HAMILTON. Go ahead and state it.

Mr. MILLER. My question is I think the gentleman from Pennsylvania wants to send a message to the Government of Kuwait. I want to send a message too.

I am a little concerned about the specifics here, the specific amendment, the Defense Trade and Export Control Act with six specific human rights conditions. I do not know if we could apply this to every country.

Mr. KOSTMAYER. Would the gentleman yield?

Mr. MILLER. Yes.

Mr. KOSTMAYER. It is only applicable to Kuwait. It is not applicable to any other country but Kuwait.

Mr. MILLER. Well, but I assume we would want to apply it to any country.

Mr. KOSTMAYER. Well, the amendment is only to Kuwait. It is not applicable to any other country. You may want to apply the principle, but you would have to do that specifically by passing an amendment.

This speaks only to the situation in Kuwait. And I do not seek to make it applicable as a broad general principle, although I think it is quite a good principle, I confess.

Mr. MILLER. Well—

Mr. KOSTMAYER. If I understood the gentleman's specific concerns, I would try to meet them.

Mr. MILLER. Yes. And I will admit I am having a problem laying it out in specifics. I think what we ought to do, I think we should send a message. I am having trouble coming to the conclusion that this being brought up here is the specific kind of message we should send, which is a very detailed message. That is my problem.

Mr. KOSTMAYER. Well, these are the issues at stake. These are the issues which Amnesty International and others, the Kuwaiti opposition, have brought to light. There are a half a dozen of them. They are quite basic, simple.

Mr. MILLER. Has the gentleman from Pennsylvania considered an amendment or a sense of the Congress or Foreign Affairs Committee that expressing the outrage and what we have learned in the findings and saying that if the situation does not improve, this committee will be prepared to take specific steps on—

Mr. KOSTMAYER. If the gentleman would yield.

Mr. MILLER. Yes.

Mr. KOSTMAYER. If the gentleman would yield to me, I think that what will happen then is the Government of Kuwait will ask the Ambassador from Kuwait, who seems to be everywhere, that what does this mean? And he will say that one is meaningful and one is not. And he will be right. One is meaningful and one is not. This is meaningful. Being locked up in prison without having a lawyer or having the right to submit evidence is meaningful. It is outrageous and there should not be any quarrel over it. And this committee and the Congress should speak out against it very, very strongly and that is what this does. And it does leave——

Mr. MILLER. Well——

Mr. KOSTMAYER. Just one second. It does leave up to the President the right to certify whether arms sales should be resumed or terminated. That is his decision, not ours.

Mr. MILLER. Well, no. It does not leave it up to the President. The President can only continue the arms sale, any kind of arms sale, as I understand it, if he certifies the Government has met all six conditions. Then the President will certify that arms sales could go ahead if they had met these conditions.

Mr. KOSTMAYER. I do not understand the gentleman's problem with the amendment. I am sorry. I do not understand.

Mr. MILLER. The problem is with a remedy that we are seeing for the first time, that we have not taken testimony on, as far as I know. The remedy that you are talking about. The club in the message.

The problem is with the specifics of each one of these six and whether they are applied. The problem is not with sending the message.

You want to make the message more meaningful. I understand that. And as you make it more meaningful, you get more specific and you get into remedies that we have not heard comment from the administration or anybody on. That is the difficulty.

Mr. KOSTMAYER. Well, I think it would be the worst of all messages to defeat the amendment frankly. And it did not occur to me that that might happen, although I suppose it might.

Mr. HAMILTON. Is there any further discussion?

Mr. LAGOMARSINO. Mr. Chairman.

Mr. HAMILTON. Mr. Lagomarsino and then Mr. Goss.

Mr. LAGOMARSINO. Mr. Chairman, I do not see anything wrong with expressing our concern about what has happened there although from what I understand from our ambassador, not the Kuwaiti Ambassador to the U.S., but the U.S. Ambassador to Kuwait, who was here and who talked to me about this yesterday. That the facts as reported in the newspapers are not necessarily entirely correct, although they certainly contain some elements of being correct. It is not nearly as simple.

I think also that we are not taking into account at all here, or at least the amendment is not, the situation that existed there where you had people collaborating with the Iraqis. Understandably, there is no excuse for mistreating them, but I think that perhaps there is some reason to understand what happened and what is still happening, unfortunately, to some extent. That does not excuse, as I said, any governmental action.

But I think the thing that bothers me the most about the amendment is Number 5. Because what you are saying there is if the Government of Kuwait wants to receive aid under the arms control section, that they have to do something that most of the democratic opposition does not want; namely, for the Government to decide what the policy is, not the Parliament, which is—

Mr. KOSTMAYER. If the gentleman would yield, I would be happy to ask unanimous consent to delete Number 5, if the gentleman would like, and if the gentleman would vote for the amendment. I am not going to delete it if he is going to vote against it anyway. But—

Mr. LAGOMARSINO. I think that would make it better—

Mr. KOSTMAYER. Well, is the gentleman prepared to vote for my amendment?

Mr. LAGOMARSINO. No.

Mr. KOSTMAYER. Then I am not going to remove it.

Mr. HAMILTON. The Chair promised Mr. Goss and then Mrs. Meyers and then Mr. Solarz, and we have a vote pending as well.

Mr. Goss. I will be brief. Thank you, Mr. Chairman.

I wonder if the gentleman from Pennsylvania had the opportunity to ask the administration about the accuracy and completeness of the reports relative to their reporting, and if not, I think that might be instructive for this committee to hear if in fact the Department does have a contrary or supplementary view—

Mr. DYMALLY. Will the gentleman yield?

Mr. Goss. Surely.

Mr. DYMALLY. Secretary Baker made some comment and if you read between the lines, it is obvious he was concerned about this when he asked the Kuwaitis to be fair. He would not have—and the President would not have uttered such cautious words were they not concerned about the process.

Mr. KOSTMAYER. Would the gentleman from Florida yield to me?

Mr. DYMALLY. What troubles me. I cannot believe my ears. If this were Iraq, if this were the PLO, we would not be debating this issue.

Mr. KOSTMAYER. I think the gentleman from Florida's point is well taken. I did not do so and I have no objection.

Mr. Goss. My reason was merely to—

Mr. KOSTMAYER. Good point.

Mr. Goss [continuing]. Allow those witnesses here the opportunity from State or those present to give us a word on this, who have not seen it before. If that is permissible by the Chairman.

ADMINISTRATION VIEWS ON KOSTMAYER AMENDMENT

Mr. HAMILTON. Would the administration witness step forward, please, identify yourself, and then speak to the amendment.

Mr. PECKHAM. Thank you, Mr. Chairman, and Mr. Goss.

I am Gardner Peckham, Deputy Assistant Secretary of State for Legislative Affairs.

The Department of State's spokesperson has indicated our collective concerns about the situation in Kuwait, and there is no doubt but that we share the goal of Mr. Kostmayer—and that, no doubt

of the committee—that the process of democratization in Kuwait continue and accelerate.

However, this is the first I have seen of this amendment, in the last 10 minutes or so. I think that it would be our position that the amendment would not help to achieve the goal that we would like to achieve. Denying the President the kind of flexibility that we have sought in the President's request in foreign assistance legislation, and adding a certification requirement to the law is not a manner by which we would consider it necessarily appropriate nor effective in achieving the goal that we seek.

ASSASSINATION OF RAJIV GHANDI

Mr. SOLARZ. Mr. Chairman.

Mr. HAMILTON. Mrs. Meyers and then Mr. Solarz, excuse me.

The Chair might interrupt just to say. I know there has been a lot of commotion here, but we have a report that Mr. Ghandi was assassinated today in India and we are trying to confirm that now. That is why we have had a good bit—

Mr. SOLARZ. Mr. Chairman.

Mr. HAMILTON. Mr. Solarz.

Mr. SOLARZ. I regret to say that it apparently has been confirmed that the former Prime Minister was killed as a result of a bomb that exploded when he emerged from his car near Madras for a campaign stop.

One can only say it is a very sad and regrettable development. The bomb was aimed, I am sure, at the heart of Indian democracy. But I doubt, in that sense, it will succeed, even if it took the life of a man who could have led a life of leisure but who decided instead to devote himself to the uplifting of his people.

As someone who knew him personally, Mr. Chairman, let me just express my very personal regret at the passing of someone I considered a friend.

Mr. HAMILTON. I thank the gentleman for his comments.

Mrs. Meyers.

CONSIDERATION OF KOSTMAYER AMENDMENT RESUMED

Mrs. MEYERS. I thank the gentleman for his comments too, and it is indeed a tragic occurrence.

I would like to make a comment on the amendment again, Mr. Chairman. And that is that if you take out paragraph 5, you may pick up a vote but you may also lose one. Because I have the feeling that what is happening in the Middle East—and I thought it might change after the Americans were there, after all of the forces from around the world were there—is that we are just going back to business as usual with women not even considered third-class citizens. I mean they are not allowed to drive in some of those countries.

If a government were doing this to half of the citizens we would intervene. But because it is sort of a religious oppression rather than a government, we turn our eyes away. And if we turn our eyes away, I think we are going to lose total credibility on insisting on democracy in one area of the world, but saying that half of the

citizens are not even worth being concerned about in the other half of the world.

Thank you.

Mr. HAMILTON. Mrs. Meyers, I want to be sure that you understood the deletion with respect to paragraph 5 was not the entire paragraph but just a portion of it. So that it reads "Acted to extend the right to vote to all citizens irrespective of sex or literacy." The portion stricken related to citizenship which is very difficult to define.

Now, who wants to speak on this pending amendment?

Mr. SOLARZ. Mr. Chairman.

Mr. HAMILTON. Mr. Solarz.

SOLARZ AMENDMENT TO THE KOSTMAYER AMENDMENT

Mr. SOLARZ. If I can have the attention of my friend from Pennsylvania. I have some small suggestions which I hope would be acceptable to the gentleman to strengthen his amendment.

Mr. KOSTMAYER. I am startled to hear that the gentleman from New York had some suggested changes.

Mr. SOLARZ. In paragraph Number 1, I am a little bit concerned that they might put an end to occurrences of the following things you have listed by the Kuwaiti armed forces. But I do not know that it is necessarily fair to hold them responsible for an absolute end to such acts by elements who are not working for the Government.

So how would you feel if we added on line 9 after the word "and" following "armed forces"—"And is making a genuine effort to bring such acts by non-governmental resistance groups to an end."

Mr. KOSTMAYER. I ask unanimous consent, Mr. Chairman, that the Mr. Solarz' amendment be adopted.

Mr. HAMILTON. Without objection, that will be done.

Mr. SOLARZ. Secondly, on point No. 6, where you call for the establishment of a date certain, that it is not later than June 1st, 1992.

I think we could accomplish more or less the same objective without being quite so specific. If we substituted for the phrase "That is not later than June 1st, 1992," the phrase, "Within a reasonable period of time."

I am just concerned that if they reach agreement with the opposition—

Mr. KOSTMAYER. Would the gentleman object if I added the words "But no later than the end of 1992"?

Mr. SOLARZ. What if—

Mr. KOSTMAYER. If you let them delay, they are going to delay. It is as simple as that.

Mr. SOLARZ. I am just trying to do this in a way—

Mr. KOSTMAYER. I understand.

Mr. SOLARZ [continuing]. Which is as inoffensive as possible but which achieves the gentleman's objective.

Mr. KOSTMAYER. Can I ask the gentleman a question? Who are we trying to avoid offending? Because I do not care about offending the Emir of Kuwait. I would like to offend him.

Mr. SOLARZ. Right. But we would like to accomplish the objective.

Mr. KOSTMAYER. Well, I would like to accomplish it too.

Mr. HAMILTON. I wonder if the two gentlemen could resolve this in the break. We will take this up when we return.

The committee will stand in recess while we vote.

[Recess.]

KOSTMAYER AMENDMENT REVISED

Chairman FASCELL. Will the bill clerks distribute the revised version of the amendment we were working on?

The Chair will now recognize Mr. Kostmayer for correction of the amendment, if everybody will follow him.

Mr. KOSTMAYER. Thank you very much, Mr. Chairman.

There are two changes which I would ask unanimous consent for.

The first is on page 2, line 17. We have already deleted some words in that paragraph and we would delete the word "acted" and substitute the words "with the intention" so that it would read "with the intention to extend the right to vote" rather than "acted."

Chairman FASCELL. Okay.

Mr. KOSTMAYER. And in addition to that, Mr. Chairman, delete "June 1, 1992" and put instead "December 31, 1992"

Chairman FASCELL. Okay. Everybody understand?

Mr. SOLARZ. Mr. Kostmayer?

Mr. KOSTMAYER. I yield to Mr. Solarz.

Chairman FASCELL. Without objection.

Mr. SOLARZ. I thank the gentleman for yielding.

I was under the impression you were also going to agree on line 23 to the addition of the phrase "after 1992 unless the Government and the opposition reach agreement on a subsequent date."

Mr. KOSTMAYER. I have no objection to that, Mr. Chairman.

Mr. SOLARZ. On "another date", instead of "subsequent date."

Mr. KOSTMAYER. I have no objection, yes—"if the opposition and the Government reach another date." I have no objection to that.

Mr. SOLARZ. And also, had you agreed on line 20 to drop the words "or literacy"?

Mr. KOSTMAYER. I had not.

Mr. SOLARZ. Okay.

Chairman FASCELL. All right. Now, just to recap, Mr. Kostmayer, the verb is on line 6, so all you need to do on line 17 is strike "acted" and put "the intention."

Mr. KOSTMAYER. Yes, sir.

Chairman FASCELL. Okay. And on line 23, change "June 1" to "December 31", correct?

Mr. KOSTMAYER. Yes. And add Mr. Solarz's phrase, "unless the Government and the opposition agree to a date——"

Mr. SOLARZ. "To another date."

Mr. KOSTMAYER. "To another date."

Chairman FASCELL. Is that after the period on line 24, Mr. Solarz?

Mr. SOLARZ. No, that is after the comma following 1992 on line 23.

Chairman FASCELL. Has the reporter got that? Thank you.

Mr. SOLARZ. Will the gentleman from Pennsylvania yield?

Mr. KOSTMAYER. Yes, indeed.

Mr. SOLARZ. Mr. Chairman, I just want to clarify a point with the gentleman. As I understood it, he had previously accepted on line 9 additional language which said—

Chairman FASCELL. "Is making a genuine effort to stop such acts by non-governmental—"

Mr. SOLARZ. Right.

Mr. KOSTMAYER. Yes.

Mr. SOLARZ. Okay. That is now in there?

Mr. KOSTMAYER. That is in there now.

Chairman FASCELL. That is in the revised draft.

Mr. KOSTMAYER. Right.

Chairman FASCELL. Is there further discussion?

Mr. YATRON. Mr. Chairman.

Mr. MILLER. Mr. Chairman.

Chairman FASCELL. I had agreed to Mr. Yatron first and then I will come to you, Mr. Miller.

Mr. Yatron.

Mr. YATRON. Thank you, Mr. Chairman.

I want to say that I have no objection to this amendment. My subcommittee, along with Mr. Hamilton's subcommittee is scheduling a joint hearing on Iraq and Kuwait in the next couple of weeks, at which time this issue can be fully considered.

Of course, Congress may want to move on a separate human rights resolution concerning Kuwait but this is a timely amendment. Secretary Baker raised the issue of human rights with the Kuwaiti Emir recently and apparently the Kuwaitis are not listening. So perhaps this amendment will be able to get their attention.

Thank you, Mr. Chairman.

Chairman FASCELL. Mr. Miller.

Mr. MILLER. It is with great reluctance, Mr. Chairman and Mr. Kostmayer, that I ask this question because I really share the gentleman's outrage and sympathize with his purpose but I have to ask this question: As I read this amendment, if—and this is an unlikely occurrence—but if the Government, if Iraq was now to invade Kuwait, we could not give arms aid to Kuwait.

Mr. KOSTMAYER. Would the gentleman yield?

Mr. MILLER. Is that a fair summary?

Mr. KOSTMAYER. Well, it is a good point but I do not think it is correct because the President would have the power to certify that arms sales could go ahead.

Mr. MILLER. But only if these human rights conditions were met. So we would have to—

Mr. KOSTMAYER. Well, if the gentleman—

Mr. MILLER. The invasion would go ahead until he certified they were met.

Mr. KOSTMAYER. Well, if the gentleman wants to add number 7, "unless in the event that the President deems it in our national security interests" that is fine with me.

Mr. MILLER. With that amendment, I would be willing to vote for this. And the gentleman apparently is agreeable to such an amendment.

Mr. KOSTMAYER. I am told that section 614 of the—
Chairman FASCELL. The President already has that authority under existing law.

Mr. KOSTMAYER. He already has the authority to do that. Yes.

Mr. Mohrman, will you clarify that point?

Mr. MOHRMAN.¹ Under the authority that formerly was in Section 614 of the Foreign Assistance Act and is retained in section 6102 of the committee print, the President can waive restrictions on arms sales if he finds that it is essential to the national security interests of the United States.

Chairman FASCELL. Is that okay, Mr. Miller? It is already in the law.

Mr. MILLER. So this and any provision we pass here is subject to those national security provisions and the President can override it?

Chairman FASCELL. Right.

All right. Is there further discussion?

[No response.]

VOTE ON THE KOSTMAYER AMENDMENT

Mr. FASCELL. If not, the question is on agreeing to the amendment as corrected. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

All right. We are still on Title VIII and what do we have in the way of reservations?

Mr. KOSTMAYER. Mr. Chairman, I have a reservation in Title VIII.

Chairman FASCELL. All right. What page are you on?

Mr. KOSTMAYER. It is on page 477. I would just like to reserve my right to offer it at later time, Mr. Chairman.

Chairman FASCELL. You want to do what?

Mr. KOSTMAYER. I would like to reserve my right to offer it at a later time. It is on page 477.

Chairman FASCELL. Well, all right.

Mr. KOSTMAYER. Mr. Chairman, I can offer it now, if you would like.

Chairman FASCELL. No, it is okay. I just want you to be ready whenever we do it.

Mr. KOSTMAYER. I am always ready to offer an amendment, Mr. Chairman. [Laughter.]

KOSTMAYER AMENDMENT—PROHIBITION OF SEED BENEFITS TO COUNTRIES SELLING ARMS TO NATIONS ON PRESIDENT'S TERRORISM LIST

Mr. KOSTMAYER. Mr. Chairman, I would be happy to offer it at this time, if you would like.

Chairman FASCELL. Whose subcommittee is this?

Mr. KOSTMAYER. Mr. Hamilton.

¹ William C. Mohrman is an Assistant Counsel with the Office of the Legislative Counsel.

Chairman FASCELL. The clerk will report the Kostmayer amendment.

Mr. BRADY. Amendment offered by Mr. Kostmayer. On page 478, line 3. Strike out the closing quotation marks and the second period—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for discussion and amendment.

[The amendment of Mr. Kostmayer follows:]

ICA91A037

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. KOSTMAYER

Page 478, line 3, strike out the closing quotation marks and the second period; and after line 3, insert the following:

1 “(c) COUNTRIES THAT EXPORT LETHAL MILITARY EQUIPMENT TO
2 COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.--

3 “(1) LIMITATION.--If an eligible East European
4 country exports any lethal military equipment to any
5 country that the Secretary of State determines, for
6 purposes of section 6(j) of the Export Administration Act
7 of 1979, is a country which has repeatedly provided
8 support for acts of international terrorism, then that
9 East European country may not be the beneficiary of any
10 SEED actions under this Act (other than agricultural
11 assistance, medical assistance, housing assistance,
12 assistance for environment activities, and Peace Corps
13 programs) until 12 months after such exports cease.

14 “(2) WAIVER.--The President may waive the limitation
15 in paragraph (1) with respect to an eligible East
16 European country if the President determines that SEED
17 actions with respect to that country would be in the
18 national security interest. The President shall notify
1 the Congress of any such determination and waiver and
2 shall keep the Congress informed of any SEED actions
3 taken pursuant to that waiver.”.

Chairman FASCELL. The Chair recognizes Mr. Kostmayer in support of his amendment.

Mr. KOSTMAYER. Thank you very much, Mr. Chairman.

I will be very brief. This is a simple and I hope non-controversial amendment which would deny seed money, that is, support for the Eastern European democracies to any eligible country which sells arms to a nation which is on the President's list of terrorist states. And it results, Mr. Chairman, from the announced intentions, although they have not yet been fulfilled, of Czechoslovakia to sell tanks to Syria and Iran.

Mr. HAMILTON. Mr. Chairman.

Chairman FASCELL. Mr. Hamilton.

Mr. HAMILTON. Mr. Chairman, I will have to oppose this amendment. I recognize the gentleman's good intentions here in seeking to block Czechoslovakia's eligibility for assistance. All of us, I know, recognize that Czechoslovakia does engage in the export of arms and while I think that the gentleman's intent is laudable, this is really going to have a bad impact on U.S.-Czech relations and maybe beyond just Czechoslovakia.

Czechoslovakia is a friendly government. We all know that they are going through a difficult period now to try to consolidate democracy and to bring about market reforms.

The foreign minister has been here recently. We talked with him about this problem of arms exports. He mentioned to us that Slovakia is dependent upon them and that it is going to take some time to move away from this dependence.

The fact of the matter is that the new government in Czechoslovakia has inherited some difficult problems and a lot of relationships with some difficult countries. It simply is going to take time to unravel those ties and I do not think we ought to punish the current government as it tries to address the sins of its predecessor government.

There are other ways to try to influence Czechoslovakia. We are in the process of doing that now in all kinds of conversations in the executive branch and the Congress as well and I just think this kind of a blunt approach will be counterproductive in the end, so I will oppose the amendment.

There is one other factor to speak to, and that is that this amendment could have a profound impact on the split in that country between the Slovaks and the Czechs because the arms industry is largely in Slovakia. So the amendment goes right to the question of the union of the country which, as we all know, is a delicate matter at the present time.

While the intent to stop arms sales is a good one, I think this amendment overreaches and in the end is counterproductive. I really think it would be quite a serious mistake to adopt the amendment.

Chairman FASCELL. I will recognize myself for a minute.

I agree with that last analysis. While the gentleman's objective is laudable, I don't believe this amendment is the right approach. If we adopt this amendment, it will appear that the United States is choosing sides in an internal dispute. If you will recall, the government originally wanted to close down the tank production line and

not sell the tanks. The pressure to keep lines open came from Slovakia, and we all know that was for purely economic reasons.

So I agree with the gentleman from Indiana. The adoption of this amendment would be read as a political decision on the part of the Congress and therefore, even though this has a Presidential waiver in it, I think it is premature right now.

Mr. SMITH. Mr. Chairman.

Chairman FASCELL. Mr. Smith.

Mr. SMITH. If I may very briefly ask the author of the amendment, Mr. Kostmayer, are there any other Eastern European countries other than Czechoslovakia that might be taken in by this amendment?

Could the administration also speak to that issue? And, I should say, are there other countries, if this were to apply to the world, not just Eastern European countries, that would be affected by this type of a ban?

Chairman FASCELL. Mr. Solarz.

Mr. KOSTMAYER. Is the gentleman asking me a question?

Chairman FASCELL. Oh, I am sorry.

Mr. KOSTMAYER. It applies only to SEED countries, only countries which are recipients of—

Mr. SMITH. Understood. Are there other countries other than Czechoslovakia?

Mr. KOSTMAYER. Not that we are aware of. And the amendment does not mention Czechoslovakia.

Mr. SMITH. I know it does not. That is why I am asking are there other countries.

Mr. KOSTMAYER. No other countries that we are aware of and it does not mention, with good reason, any particular country, certainly not Czechoslovakia.

Chairman FASCELL. Mr. Solarz.

Mr. SMITH. The administration as well, Mr. Chairman.

Chairman FASCELL. Excuse me?

Mr. SMITH. I had asked the administration as well if they could answer that.

Mr. PECKHAM. Mr. Chairman, Mr. Smith, I am not sure of the scope of the amendment and I would need to check that.

Chairman FASCELL. Mr. Solarz.

Mr. SOLARZ. Thank you, Mr. Chairman.

I think the gentleman from Pennsylvania has certainly focused attention on a matter of very legitimate concern to the committee. I think both the Chairman and the distinguished gentleman from Indiana, however, have pointed out some of the problems with this.

The question I have is whether there is a way to square the circle? And let me suggest, if I might, to my friend from Pennsylvania that it might make sense for him to consider recasting this amendment in order first of all to make our expression of concern global in its scope.

We are, after all, concerned not just about potential arms sales to countries on the terrorist list by arms producing countries in Eastern Europe, but we would be, I am sure he would agree, equally concerned by arms sales to countries on the terrorist list from any arms producing nations.

Might it make sense to recast this as a sense of the Congress statement expressing the hope that countries that sell arms would not sell them to nations which sponsor international terrorism.

I think the gentleman's particular formulation is problematic for a number of reasons. I am sure the gentleman from Pennsylvania the author of the amendment, would agree that the waiver provision in the amendment is virtually certain to be utilized by the President.

So in fact there would not be a cutoff of aid to Czechoslovakia. But this would be interpreted quite clearly by the Czechs as directed almost solely at them.

Consequently, I think it really would be helpful—and there will be ample time to do this before we finish the markup—if we could have some general language, which the gentleman could offer, which would express our concerns globally not just about Eastern Europe—

Mr. KOSTMAYER. Will the gentleman yield to me?

Mr. SOLARZ. Yes.

KOSTMAYER AMENDMENT WITHDRAWN

Mr. KOSTMAYER. Well, if the Chairman of the full committee wants to give me permission at a later time to go back and offer this amendment under the terms outlined by the gentleman from New York in Title II, which is, I think, where it would be appropriately offered to apply globally, I am happy to do that and to take out any reference to the Eastern European countries.

Chairman FASCELL. Well, I personally have no objection. I do not think that Title II is relevant, however, because your amendment would restrict aid not related to security assistance—if you follow me.

Mr. KOSTMAYER. Yes, sir.

Chairman FASCELL. As far as I know, your amendment affects aid to the private sector and training of government management people. These types of assistance don't fall within Title II.

Mr. KOSTMAYER. Well, I said Title II because that is arms sales. It deals generally with international arms sales.

Chairman FASCELL. Well, that is U.S. arms sales, not those of other countries. And we are not selling arms to Eastern Europe, as far as I know.

Mr. KOSTMAYER. Mr. Chairman, if I can just reserve my right to offer it at the appropriate time, I will be happy to recast it.

Chairman FASCELL. Yes. Or the appropriate place.

Mr. KOSTMAYER. At the appropriate time and appropriate place.

Chairman FASCELL. That is fine. I think it is important that we determine exactly what aid would be affected because I am not sure the gentleman wants to circumscribe aid to the private sector or management training because that would be, it seems to me, counterproductive.

Mr. KOSTMAYER. Well, I would be happy to ask unanimous consent to withdraw it with the proviso that I am permitted to—

Chairman FASCELL. You do not need to do that. You will be protected.

Mr. KOSTMAYER. Let me just say if I could in conclusion, Mr. Chairman, and then I will stop, that we are going to end up in the position of providing financial assistance to a country which is then going to send tanks to Syria. That is a hard thing to explain and I do not think it as nearly as complex as some people make it out to be. I think it is relatively simple.

And I think we have the right to say to a country if we are going to provide them with very generous assistance you ought not to be selling tanks to Syria and Iran. Now, that does not seem—maybe that is not sophisticated, it seems reasonable and logical to me.

In addition to that, the Washington Post reported on this that some Czech and Slovak members of parliament have expressed doubts that the present management of the weapons factories will be interested or even able to manage the conversion. They noted that Communist officials in Slovakia were told in 1984 about the need to begin conversion of weapons factories and had not made any progress.

I do not think that this is going to happen unless we say we want it to happen. It is as simple as that. That is the way it works. And I think we will be doing a lot of people in Czechoslovakia a favor by passing this amendment at some later time, so long as it does not apply specifically to that country.

And I will offer it at the appropriate time.

Mr. BEREUTER. Mr. Chairman?

Mr. KOSTMAYER. Thank you, Mr. Chairman.

Chairman FASCELL. Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman.

If the gentleman is considering reoffering an amendment in some form, this or other, I hope that he might consider these points.

I have visited with the Czech ambassador to the United States. I have visited with Foreign Minister Dienstbier about this problem. They understand our concern about the production of those tanks and the sale to Syria.

Here is a situation where they have an existing contract. They do not intend to sell arms beyond that existing contract. We have extreme difficulties between Slovakia and the Czech area, the two republics, at this point. The factories that build these tanks are located in Slovakia, and they are major employers. This loss immediately of 80,000 jobs, which is the estimate, in the factories that produce these weapons, counting all the subcontracts, would I think fuel the fire of separatism.

Many of those tanks that would be transferred under this existing contract are already produced. Others yet would have to be produced. I know they understand our concern about it.

I think it is important that we be as supportive as we can in a difficult time, but at the same time we must let them know that beyond that sale we expect them to shut the factory down and to have made the transition.

I think there are other ways of influencing a friendly government instead of cutting off assistance. I think we have seen how that sometimes backfires.

Czechoslovakia is a very friendly country to the United States, to American citizens. It is making remarkable progress under difficult

conditions, which have been complicated by the Persian Gulf triple oil shock.

The amendment that the gentleman is suggesting, while I understand it, is going to be very difficult and exacerbating to Czech-Slovak relations. I would urge the gentleman to rethink his amendment, if he would. I would urge my colleagues not to support it in its current form. It would damage an emerging and already fine relationship that we are building with Czechoslovakia.

I thank the Chairman for yielding me this time.

Mr. LAGOMARSINO. Mr. Chairman.

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman. I would hope that the gentleman would rethink it also and take into consideration the suggestion by Mr. Solarz about some kind of a general sense of Congress that would apply across the board.

I can see someone in Czechoslovakia saying hey, you did not say anything about China—you did not say anything about the Soviet Union. And although it is technically true that in this bill we do not provide any assistance to them, at least I do not think that we do, that I can see where they might feel that they were being singled out.

So I would hope that it would be more—if the gentleman does bring back the amendment, it will be more of a general nature.

Chairman FASCELL. Mr. Kostmayer, if you are disposed to follow the suggestion with regard to making it generic—

Mr. KOSTMAYER. Mr. Chairman, I am disposed to follow the suggestion but it would not be a sense of the Congress resolution.

Chairman FASCELL. No, I understand. But making it global in scope—

Mr. KOSTMAYER. Yes, sir.

Chairman FASCELL. Then you could get the issue resolved, it would seem to me.

Mr. KOSTMAYER. I would reserve my right to do that at some point later on.

Chairman FASCELL. Yes. At the appropriate point.

Mr. KOSTMAYER. Thank you, Mr. Chairman.

RESERVATION TO TITLE VII

Mr. SOLARZ. Mr. Chairman, I think I have one—

Ms. ROS-LEHTINEN. Mr. Chairman.

Chairman FASCELL. Mr. Solarz. Excuse me. I had agreed to recognize Ms. Ros-Lehtinen.

Mr. SOLARZ. All right.

Chairman FASCELL. Is this on the amendment you discussed?

Ms. ROS-LEHTINEN. No, it is on Title VII. It is a reservation on Title VII.

Chairman FASCELL. It is a reservation on Title VII? We will go back to that after we discuss this matter with Mr. Solarz.

TITLE VI

SOLARZ AMENDMENT—SUBJECTING NATIONAL INTEREST WAIVERS TO REPROGRAMMING REQUIREMENTS

Mr. SOLARZ. This is an amendment to Title VI, which I had reserved the right to return to earlier today.

Chairman FASCELL. The Solarz amendment to Title VI. The clerks will distribute the amendment.

What page are we on, Steve?

Mr. SOLARZ. I will tell you in a second. Page 322.

Chairman FASCELL. Page 322.

Mr. SOLARZ. Would you like me to explain it, Mr. Chairman?

Chairman FASCELL. Well, let us get it on the record.

The clerk will report the amendment.

Mr. BRADY. Amendment offered by Mr. Solarz. Page 322. At the end of line 3, add the following:

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in the full and open for amendment.

[The amendment of Mr. Solarz follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. SOLARZ

Page 322, at the end of line 3, add the following: In the case of a report with respect to assistance provided under paragraph (1)(A) of subsection (b), the report shall be submitted, in accordance with the procedures applicable to reprogramming notifications under section 6304, at least 15 days before any funds are obligated for such assistance.

Chairman FASCELL. The gentleman from New York.

Mr. SOLARZ. Thank you, Mr. Chairman.

Hopefully, this will not be a controversial amendment.

Chairman FASCELL. You say will be or will not be?

Mr. SOLARZ. Will not be. I hope. I do not think it should be.

In the rewrite of the Foreign Assistance Act, the committee has created four generic categories of exceptions from restrictions in the act in which the President could provide aid to a foreign country, even if it is in violation of other restrictions on the provision of American assistance contained in the bill.

Those four exceptions are: one, for the national interest; secondly, where he believes that providing the assistance would alleviate suffering resulting from a disaster; thirdly, where he believes the aid would directly benefit the poor; and, fourth, where he believes that the aid would promote human rights and democracy.

And whenever the President chooses to exercise one of these exemptions, according to the bill, he has to submit a report to the Congress. My amendment applies to this report.

In essence, what the amendment says is that when the President submits a report under this provision in which he cites the national interest as the basis for the exception from a restriction that otherwise exists in the law that he would have to notify the relevant committees and that the report would be handled in the normal reprogramming procedures which gives any committee of jurisdiction 15 days to object to the notification.

The reason I offer the amendment, Mr. Chairman, is that a national interest waiver is very, very broad. Under my amendment,

the President would be able to issue that waiver but he would also have to, in effect, be able to persuade the relevant committees that it was justifiable. I think this is a prudent way to give the President the flexibility he needs without creating a loophole so large that you could drive a Mack truck right through it without even noticing it.

Let me say that in the event of a genuine emergency where the President felt that the national interest required us to provide the aid forthwith and we could not afford to wait for the 15 days under which the normal reprogramming procedures require the Congressional committees to be informed and to be given a chance to render a judgment, there is another provision in the law which in fact permits the President to provide aid immediately, even without having to wait for the 15 days.

I do not think that my amendment would in any way preclude us from responding to a genuine emergency. But where there was not a genuine emergency, if the President felt the national interests required us to ignore a restriction contained in the law on human rights or on anything else, he would at least have to, in effect, persuade the relevant committees that his justification made sense.

Chairman FASCELL. Well, Steve, that is a subjective judgment. This exception is subjective also, "important to the national interests." I would assume that anything the President decides is important is important.

But since it is not a matter of law with regard to reprogramming, just a matter of precedent, I do not really see any problem, although I would guess the administration might have a little heartburn over this.

Mr. SOLARZ. Mr. Chairman, let me say I tend to agree with you, if the President believes it is in the national interests, it probably is.

Chairman FASCELL. He ought to let us in on it. That is the main thing you are talking about.

Mr. SOLARZ. Yes. Which is why nine times out of ten I do not think there would be any problem. But so long as they know that they have to justify it to the committees, they are less likely to use it in circumstances where it really should not be used.

Mr. LAGOMARSINO. Will the gentleman yield to me?

Mr. SOLARZ. Yes.

Mr. LAGOMARSINO. Did I hear correctly when I thought I heard you say that even with this amendment that there would be ways that the President could do it more immediately?

Mr. SOLARZ. Yes.

Mr. LAGOMARSINO. And how is that?

Mr. SOLARZ. There is an emergency waiver provision in the law—

Chairman FASCELL. Under section 614.

Mr. SOLARZ [continuing]. Which enables the President—

Mr. LAGOMARSINO. And that would not be affected by what we are doing here?

Mr. SOLARZ. It would be utterly unaffected. So they would have, Mr. Lagomarsino, the ability to act when there was a genuine emergency, when they could not wait even for 15 days to move forward, other restrictions in the bill notwithstanding.

But if it is not that kind of genuine emergency, but the President nevertheless feels that the national interest requires us to ignore a restriction, then I am saying he should notify the relevant committees and give us 15 days to look at it. I do not think that is unreasonable.

Mr. LAGOMARSINO. It is pretty hard to argue against that logic, and I will not.

Mr. SOLARZ. Thank you.

VOTE ON THE SOLARZ AMENDMENT

Chairman FASCELL. Is there further discussion?

[No response.]

If not, the question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

All those opposed, no.

[No response.]

The ayes have it. The amendment is agreed to.

TITLE VII

Ms. Lehtinen, Title VI?

Ms. ROS-LEHTINEN. Seven.

ROS-LEHTINEN AMENDMENT—EXPEDITING PROPERTY CLAIMS AGAINST FORMER SANDINISTA GOVERNMENT

Chairman FASCELL. The Ros-Lehtinen amendment on Title VII, please.

Staff will report the amendment.

Mr. BRADY. Amendment offered by Mrs. Ros-Lehtinen. Page 436, line 14.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full.

[The amendment of Ms. Ros-Lehtinen follows:]

AMENDMENT OFFERED BY MS. ROS-LEHTINEN

Page 436, line 14, insert "(a)" at the beginning;

Page 436, after line 19 add the following:

"(b) It is the sense of Congress that the government of Nicaragua should expedite the processing of claims by private citizens based on expropriation of property by the former Sandinista government."

Chairman FASCELL. The gentlewoman is recognized in support of her amendment.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

Members, this is a fairly non-controversial amendment. It merely reminds the Violetta Chamorro government that there are many pending claims of property owners whose property had been taken by the Sandinista regime. It makes no statement as to the merits of the claims, it merely says to Dona Violetta please expedite these claims.

Mr. LAGOMARSINO. Mr. Chairman?

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. Sounds like a good amendment to me, Mr. Chairman.

VOTE ON THE ROS-LEHTINEN AMENDMENT

Chairman FASCELL. Is there further discussion on the Ros-Lehtinen amendment?

[No response.]

If not, the question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

All those opposed, no.

[No response.]

The ayes have it and the amendment is agreed to.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

[Whereupon the committee proceeded to other business.]

**AUTHORIZATION REQUEST FOR FOREIGN
ASSISTANCE FOR FISCAL YEARS 1992-93**

WEDNESDAY, MAY 22, 1991

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.**

The committee met in open markup session at 11:15 a.m., in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

TITLE VIII

Chairman FASCELL. The committee will come to order. When we rose yesterday, we were on Title VIII and we had a reservation from Mr. Solarz. Also, reservations for Mr. Broomfield and Mr. Gilman, tied to the Solarz reservation, I believe.

Well, if Mr. Solarz is ready, we can go his reservation on Title VIII. And then if Mr. Berman is going to be here, Mr. Hyde, we will go to your reservation in Title II.

Mr. Gejdenson.

Mr. GEJDENSON. Is that on the export control issue?

Chairman FASCELL. Yes.

Mr. GEJDENSON. Are we going to do that after lunch?

Chairman FASCELL. Well, we will see how it goes. This may take a little time.

SOLARZ AMENDMENT—AID TO TURKEY

Mr. BRADY. Amendment offered by Mr. Solarz. Page 473, line 1, strike out "\$500 million" both places it appears and insert in lieu thereof "\$615 million."

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for amendment.

[The amendment of Mr. Solarz follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. SOLARZ

Page 473, line 1, strike out "\$500,000,000" both places it appears and insert in lieu thereof "\$615,000,000".

Page 33, line 18 and line 19, strike out "\$3,322,500,000" and insert in lieu thereof \$3,207,500,000.

Page 90, strike out line 17 and all that follows through line 17 on page 91; line 18, strike out "(h)" and insert in lieu thereof "(g)"; page 93, strike out lines 3 through 6; and line 7, strike out "(4)" and insert in lieu thereof "(3)".

Chairman FASCELL. The Chair recognizes the gentleman from New York for five minutes in support of his amendment.

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Mr. SOLARZ. Thank you very much, Mr. Chairman.

This is not a new issue in terms of the debates that have taken place before this committee over the course of the last 15 years. But the circumstances under which the amendment is being considered are quite new. Just to be perfectly clear about it, this amendment would restore, in effect, the levels of military assistance for Turkey that were contained in the original request of the administration, but which were altered by the Subcommittee on Europe and the Middle East, in order to reflect the 7/10 ratio with regard to our aid for Greece and Turkey which we have maintained for more than a decade now.

By restoring the administration's language, the amendment which I offer would have the effect of breaking the 7/10 ratio. The amendment is offered, Mr. Chairman, at this particular time because circumstances have changed.

What has changed is that we have just fought and won a war in the Persian Gulf in which Turkey played a critical role. Had it not been for Turkey's willingness in the immediate aftermath of the Iraqi invasion of Kuwait to cut the Iraqi pipelines, thereby preventing Iraq from exporting its oil, the international sanctions regime which was established against Iraq would simply not have been possible.

Even prior to the outbreak of the war, in mid-January, Turkey deployed about ten divisions along the Iraqi border, thereby forcing Iraq to divert over 100,000 troops that otherwise would have been available to fight against our forces in the south.

And once hostilities actually began, we were permitted to use air bases within Turkey for air attacks against Iraq, which made a very important contribution to the effectiveness of the air campaign.

In each and every one of these decisions, President Ozal of Turkey acted against the advice of his bureaucracy, against the preferences of his military, and against the desires of his people. He took enormous political risks in order to contribute to the coalition which had been arrayed against Saddam Hussein, and he took those risks to some extent not only because he believed in the cause, but because he hoped that in the wake of a successful effort to undo the Iraqi aggression against Kuwait, it would produce some tangible benefits for Turkey.

If we do not adopt this amendment, if we stick with the recommendations of the Subcommittee on Europe and the Middle East, if we preserve the 7/10 ratio in the distribution of our military assistance, it will inevitably be seen in Turkey as a tremendous slap in the face of President Ozal by the United States.

It will be seen as an indication that we do not appreciate the enormous contribution which Turkey has made to our successful efforts in the Gulf.

I know there are some members of this committee who believe that since the money for military assistance, which the subcommittee transformed into ESF assistance, is fungible and that Turkey can use the increased economic aid to free up money that could then be used to purchase military equipment.

In a certain sense that is true. But what we are talking about here is very important political symbolism. If it is important to

Greece, and it is, it is also important to Turkey. We are not simply talking about recognizing the contribution which an important country made to our success in the Gulf. We are also talking about the future.

We still have important interests at stake in Iraq. For example, we have not yet been able to secure complete Iraqi compliance with the cease fire resolution. They have not indicated a willingness to turn over their biological weapons, which they are obligated to do under the cease fire agreement. In fact, they even deny having biological weapons.

They have not indicated a willingness to turn over their highly enriched uranium, even though we know they have materials that could be transformed into nuclear weapons.

The main leverage we have in getting Iraq to comply with the cease fire resolution is the continued implementation of sanctions. Those sanctions cannot be effective without a continued willingness on the part of Turkey to close the Iraqi pipelines.

To the extent that we insist on maintaining the 7/10 ratio, our ability to secure the continued cooperation of Turkey in a sanctions regime against Iraq is necessarily diminished, and it could therefore be entirely counterproductive.

Let me say lastly, Mr. Chairman, that if you examine the 7/10 ratio on its merits, it makes absolutely no sense whatsoever. Seven-ten was a number which was virtually plucked out of thin air. It does not reflect the existing population ratios of Turkey to Greece. It does not reflect the existing balance of military forces. It has no substantive justification whatsoever. Indeed, there is over half a billion dollars in the military pipeline for Greece which Greece has not used, which it apparently has very little intention of using.

We have artificially increased the level of aid for Greece while keeping down the level of aid for Turkey simply in order to prevent any increase in American military assistance to Turkey above the approved level.

There is no question Turkey needs the additional assistance. It has very little money left in the pipeline, and Turkey finds it very difficult to understand why the level of our military assistance to them should be limited by the level of our military assistance to Greece, particularly when Greece does not even use the military assistance we have given them.

So, in conclusion, Mr. Chairman, I hope that this amendment will be adopted, first, as a way of indicating to Turkey that we are appreciative of what they have done; that we do recognize the enormous political risks which President Ozal took to help our cause. Also, if we want the continued cooperation of Turkey, which is essential to getting Iraqi compliance with the cease fire agreement; if we are going to get Iraq to give up its nuclear, chemical and biological weapons or the capacity to make those weapons, the continued cooperation of Turkey is essential. You do not get that cooperation, it seems to me, by slapping them in the face as we would if this amendment is rejected.

Mr. HAMILTON [presiding]. The Chair has several people that have indicated that they want to speak. I am taking them down in order. I have Mr. Yatron, Mr. Broomfield, Ms. Snowe, Mr. Dymally,

Mr. Feighan, Mr. Gilman, Mr. Owens, Mr. Burton. We will proceed in that order.

The Chair recognizes Mr. Yatron.

Mr. YATRON. Thank you, Mr. Chairman.

Mr. Chairman, I oppose my very good friend for New York's amendment. If this amendment is enacted, it will have adverse implications for U.S. policy interests in the Eastern Mediterranean. The bipartisan subcommittee's recommendations contained in this bill addressed the legitimate security concerns of two NATO allies, Greece and Turkey. These recommendations also support Ankara's special economic needs arising from the important role it played in the Persian Gulf crisis, and these recommendations send a signal to Cyprus that the U.S. remains committed to a political settlement.

The gentleman's amendment throws all of those concerns out the window in favor of an approach which caters solely to the only NATO ally which occupies a sovereign state and the only NATO ally with an extensive record of human rights violations.

Mr. Chairman, all of us here recognize and appreciate the statesman-like role played by Turkish President Ozal in the Gulf crisis. In recognition of the significant economic sacrifices and added military burdens taken on by Turkey, the administration, with strong bipartisan support from Congress and the world community, has rushed to provide enormous amounts of special crisis military and economic assistance.

According to a just released study by the Congressional Research Service, a total of \$4.2 billion has been pledged to Turkey by the international community, of which \$1.8 billion has already been disbursed. That figure does not even include U.S. special crisis assistance.

In that respect, the United States, with congressional approval, has already provided \$282 million in emergency aid for the current fiscal year above the over \$550,000 already appropriated.

When all the world aid for Turkey is totaled, it is clear that Ankara's economic sacrifices have not been ignored. The bipartisan subcommittee recommendations consider other legitimate policy concerns in the Eastern Mediterranean in which the United States has a long-standing interest. This ratio sends a message to Greece that the United States recognizes the significant role that Athens played in the Gulf crisis. As an original member of the coalition, Greece allowed 30,000 over flights to the United States military and thousands more to our allies for Persian Gulf purposes.

With the ratio in place, the United States was able to garner the support of both Greece and Turkey for our Persian Gulf policy. The ratio also implicitly links United States policy toward Turkey with a settlement on Cyprus. If we adopt this amendment, you will send two clear messages to the Eastern Mediterranean.

First, the amendment will send a signal to Athens that maintaining good bilateral relations with Greece is of little consequence to the United States.

Second, it will send a message to Cyprus that the United States is no longer committed to a settlement of that dispute.

Mr. Chairman, I feel that this amendment is not a good amendment and I ask my colleagues to vote it down. Thank you.

Mr. HAMILTON. I thank the gentleman.

The Chair recognizes the ranking member, Mr. Broomfield.

Mr. BROOMFIELD. Thank you, Mr. Chairman.

First of all, I want to say I regret that I have to oppose my good friend, Steve Solarz, and what he is trying to do in this particular section to the work of the subcommittee. But at the outset I want to pay tribute to my good friend, Gus Yatron, for his leadership on this particular issue over the years. Without his work, our policy toward the Eastern Mediterranean would, in my judgment, be less evenhanded.

I have to say that I am deeply concerned about any efforts to break the 7/10 ratio in military assistance levels for Greece and Turkey. Instead, I believe we should strongly support the assistance levels which have been recommended by Chairman Hamilton's subcommittee. I believe they are balanced and reflect the best interests of the United States.

Although Turkey has been supportive during the Gulf crisis, Ankara has already been rewarded for its efforts. The \$693.9 million that the subcommittee recommended for fiscal year 1992 and fiscal year 1993 represents a \$140 million increase over the 1991 levels. It is estimated that Turkey will receive United States assistance—now get this—of over \$1 billion in 1991 from all programs. I repeat—\$1 billion.

Now, in addition, the Gulf Crisis Financial Coordination Group has promised Turkey over \$4 billion. In addition, Turkey has other sources of assistance. U.N. Security Council Resolution 687, the cease fire resolution that was passed in April of 1991, established a mechanism for Iraq to pay reparations. Turkey is eligible to obtain compensation for the losses it suffered during the conflict.

Now, I know that Turkey has serious economic problems. That is why I am willing to support the increased economic assistance recommended by the subcommittee. We must keep these funds in the economic support funds, however, and not shift them to the military side.

Additional military aid to Turkey is not needed at this time. Improved relations between the Soviet Union and the West have reduced the Soviet military threat that was the basis for massive United States military assistance to Turkey. I do not know why people cannot understand the significance of this. And while we must remain cautious about developments in the Soviet Union, the tense days of the Cold War are not back.

Turkey has promised for years to make progress on the long-standing Cyprus dispute, but that problem remains—as do the 30,000 armed Turkish troops who occupy that island. And I must confess that in all probability some of this increased aid on the military side would end up supporting the troops on Cyprus.

The key to the future of Cyprus lies in Ankara. I want to see action on this issue, not just words, and I believe that the 7/10 ratio sends a clear signal to Ankara that Turkey should do more if it truly wants to help resolve this long-standing problem.

With the exception of the current fiscal year, the 7/10 ratio has been maintained since 1980 in appropriations of military aid to Greece and Turkey. Congress permitted the current exception to support Turkey's effort in the Gulf crisis. It was supported by

members on both sides of the aisle. The concept of the 7/10 ratio was originally introduced by Members, myself among them, who were dissatisfied with United States policy in the Eastern Mediterranean and wanted to maintain the military balance in that region. I still think it's a good idea.

After Turkey invaded Cyprus in 1974 using United States equipment, Congress insisted that our government impose an arms embargo on Turkey. Ankara promised to withdraw its troops if we lifted the embargo. We kept our end of the bargain and ended the embargo in 1978. Meanwhile, Turkey still has troops in northern Cyprus which are an obstacle to a settlement of this problem. Turkey's continuing occupation of Cyprus is seen as a real embarrassment to our NATO allies.

Any effort to change that 7/10 ratio before the Cyprus dispute is resolved would derail the peace process. A change in that ratio would send the wrong signal to our allies, who are calling out for justice on that troubled island. Dropping the ratio would also slap in the face at the Prime Minister Mitsotakis of Greece, who has done so much to promote a Cyprus settlement, reduce tension in the Eastern Mediterranean and cooperate fully with the United States on a broad range of issues. Continuing the 7/10 ratio, on the other hand, will send a clear signal that the United States Congress wants progress on this Cyprus issue.

I urge my colleagues to support the peace process on the long-divided island of Cyprus by maintaining the current ratio of military aid levels to Greece and Turkey. Support the subcommittee's recommendation and reject this amendment. Thank you.

Mr. HAMILTON. The Chair recognizes Ms. Snowe.

Ms. SNOWE. Thank you, Mr. Chairman and members of the committee.

I strongly oppose the amendment that has been offered by the gentleman from New York. I think we all should be clear on what the exact intent and purpose of this amendment is, and that is, of course, to break a long-standing principle of equity in our military assistance to both Greece and Turkey.

First of all, what would this amendment do or not do? It obviously would not increase overall aid to Turkey. It would not ease restrictions on Turkey's assistance, because we do not impose any restrictions on American assistance to Turkey. It would not help Turkey cope with economic dislocation as a result of its prominent role in the Persian Gulf. No one would dispute that, and certainly we would commend that, because it is shifting of funds away from economic assistance to military aid.

There is no question about what this would do. It would provide a slap in the face to the government of Greece and to the people of Greece, because this will be the very first time that we break a long-standing commitment to the 7/10 ratio of military assistance to both Greece and Turkey since we lifted the embargo against Turkey in 1978.

I am surprised to hear the gentleman from New York say that the ratio of 7/10 is not a substantive issue. I am surprised because the gentleman has been a long-standing advocate of human rights. Are we now dismissing human rights principles as a nonsubstantive issue when we clearly have made a commitment as a country

to hold the assistance to Greece and Turkey to the 7/10 until we resolve the dispute in Cyprus?

I would ask why would we consider this amendment today? Is it because we are not providing significant assistance to Turkey? It cannot be that, because as we have already heard we have provided more than \$1 billion in the fiscal year of 1991.

Is it because other countries are not providing significant assistance as a result of the hardship that Turkey has endured during the course of the Persian Gulf crisis? That cannot be the case because of what we have heard here today more than \$4.2 billion has been pledged by other nations. That does not include, I might add, NATO military equipment left behind after the crisis, Turkey's share of the \$2.2 billion in supplies and equipment Germany provided from the dissolution of the East Germany Army, \$10 million in military assistance from Canada, nor does it include any of the reported \$8 to \$9 billion that Turkey may receive in modernized equipment as a result of conventional forces in Europe.

So what does this amendment do? It sends a horrible signal to the people of Greece. It would be sadly ironic if this amendment were to be approved because for ten years, under the administration of socialist prime minister Papandreou, this committee and this country consistently upheld the 7/10 ratio on military assistance, because we understood the enduring importance of U.S.-Greek relations.

Now the Greek socialists are out of power. The new Greek government is strongly pro-American and is cooperating with the United States in ways unanticipated a few years ago. For example, under Papandreou, the resolution on the base agreement dragged out for five years without any conclusion.

In April of 1990, the new government, Prime Minister Mitsotakis took power, and in November of 1990, signed a new base agreement for eight years with the United States. In fact, Prime Minister Mitsotakis made a visit to the United States, an official one, which was the first time a Greek prime minister has visited this country in over 26 years.

The new government is making progress across the board in areas important to the United States such as military cooperation, counter-terrorism and narcotics policy. Mitsotakis has made a concerted effort to improve relations with the United States, to ensure the base agreement, to prevent Greece from being used as a base for terrorism, to suspend anti-American rhetoric. He has done all of that in the name of improving relations with the United States.

So now if we approve this amendment, we are saying to the government of Greece and to the people of Greece that we no longer care about our relations with this country.

I might also add, and very significantly, we cannot ignore the fact that our assistance to Turkey continues to help its illegal occupation in Cyprus which costs the government of Turkey more than \$200 million. In the past, we have been told that cutting Turkey's military aid would only enhance their intransigence. We have not reduced Turkey's assistance and they have remained intransigent on Cyprus.

It does not make sense that increasing Turkey's aid would make the government of Turkey act any differently. We have not re-

solved the dispute with Cyprus. President Vassiliou of Cyprus is going to be visiting the United States and President Bush next week, on May 28. What are we telling them if we refuse to accept the 7/10 ratio?

We are saying that we are no longer concerned with what happens on the issue of the occupation in Cyprus. Does not Cyprus have the same right to international support that Kuwait did in seeking its liberation?

Mr. Chairman and members of the committee, I would suggest that we disapprove this amendment. Even more recently when we consider the human rights issues, if you look at the State Department's report on Turkey, they have reported pervasive and credible reports of torture persisting throughout Turkey. According to the State Department, those credible reports indicate that systematic brutality has taken place and many instances of torture have not been prosecuted. I would submit that if this committee receives such serious reports of systematic human rights abuses of any other country, that aid would be heavily conditioned, if it were not cut altogether.

The one thing we definitely would not be doing is discussing an increase of military assistance of \$140 million.

So I would ask this committee to disapprove the amendment that has been offered by the gentleman from New York.

Mr. HAMILTON. The Chair recognizes the gentleman from California, Mr. Dymally.

Mr. DYMALLY. Thank you, Mr. Chairman.

Even when one disagrees with Mr. Solarz, it is always a pleasure to listen to his eloquent discourse on the subject, except in this instance I think he creates a very serious problem for all of us concerned about an equal balance in the NATO community.

Mr. Chairman, I just want to bring to your attention the fact that Turkey is not exactly on welfare at this stage of the game. Since the Gulf crisis, Turkey has received \$37.7 million for helicopters, an Ex-Im Bank loan guarantee of \$1.37 billion to finance export sale of helicopters, a \$47.1 million Ex-Im Bank guarantee to finance military-related exports. The U.S. provided \$82 million in emergency aid in January 1991. In March 1991, Congress granted Turkey \$200 million in supplemental assistance which can be used for military purposes.

According to the Congressional Research Service, foreign countries have pledged a total of \$4.2 billion in assistance to Turkey since August of 1990, of which \$1.8 billion has already been received by Turkey, and it reads as follows: they have also received a \$100 million pledge from the United Arab Emirates; \$1.6 billion of oil from Saudi Arabia free; \$100 million in emergency aid and \$73 million community grant aid from Germany; and \$10 million in military assistance from Canada. And according to CRS, under the conventional force reduction treaty in Europe, Turkey will be eligible for \$8 to \$9 billion in military surplus equipment.

This is not a question of a country in dire need of financing for their military equipment, so I would join with my colleagues from Pennsylvania and Maine in asking for a no vote on this amendment.

Mr. HAMILTON. Just so members know, I have the following members who have asked or sought recognition, in this order: Feighan, Gilman, Owens, Burton, Levine, Wolpe and Miller.

The Chair recognizes Mr. Feighan.

Mr. FEIGHAN. Thank you very much, Mr. Chairman.

I would join with so many of my other colleagues who have spoken in urging them to reject this amendment this morning, but I think that any discussion of this amendment has to begin, as it has in most cases, with an honest appraisal of the tremendous assistance that Turkey has provided us in recent months.

There is no question that Turkey, under the leadership of Turgut Ozal, took tremendous political, economic and military risks by providing the level of assistance that they did in our Persian Gulf effort, and I think all of us are not only mindful but very grateful for that.

At the same time, I think all of us were very supportive of the assistance and the increase in assistance that we supported and that we provided to Turkey over the past several months. Many of my colleagues have spoken specifically to that assistance. \$82 million in additional military aid we provided to Turkey last fall; another \$200 million we provided, rightfully so, in recognition of the tremendous assistance Turkey gave us in the Persian Gulf war. In January of this year, we increased Turkey's textile quotas by 40 percent which will mean a tremendous amount to the Turkish economy which has been, unfortunately, very severely affected by the aftermath of the Persian Gulf war.

I think, Mr. Chairman, that we have to recognize that we are significantly increasing our overall aid to Turkey. While we are keeping the 7/10 ratio, we are increasing by \$125 or \$130 million our economic aid to Turkey, and Turgut Ozal has consistently said to us that he is looking primarily for an increase in trade and an increase in economic assistance. Obviously, they would like military assistance as well, but we have been very forthcoming on that.

Let me speak, though, to the problem that I see in adopting this amendment at this particular time. Over the past several months we have had visits by the Greek Foreign Minister, Mr. Samaras; just a couple of weeks ago, Mr. Denktash was in Washington. We are anticipating in the next week or so a visit by the President of Cyprus, Mr. Vassiliou. All of the parties have indicated to us that they believe that 1991 can be a threshold year in breaking through the stalemate on Cyprus.

Now, I think, in the context of that optimism, it would be foolhardy for us to dismantle the 7/10 ratio. It would be foolhardy for us to interject into the debate a fundamental change in American policy. I think that there is reason, in fact, for optimism for a resolution, or at least the beginnings of resolution of the Cyprus dispute, primarily because of the commitment of U.N. Secretary General Perez De Cuellar. He is leaving office in December. He is determined to move the process along before he leaves office, and he seems to have this year certainly much greater cooperation not only from the Greek Cypriots but from the Turkish Cypriots as well.

For all of those reasons, Mr. Chairman and members of the committee, I would urge rejection of this amendment. I would urge the

committee members to stay with the subcommittee recommendations. We had a very candid and full debate in the subcommittee in recommending to the full committee the level of both economic and military assistance to both Turkey and Greece, as well as to Cyprus. I think that the balance that we struck will be very helpful in contributing to a constructive atmosphere throughout the balance of 1991, to make some movement on Cyprus, to end what has been a horrifying conflict for not only the people on Cyprus, but for that entire region in maintaining such a destabilizing potential in the southern flank. I would hope the members of the committee would reject the Solarz amendment. Thank you, Mr. Chairman.

Mr. HAMILTON. The Chair recognizes the ranking member of the Subcommittee on Europe and the Middle East, Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

On our committee, all of us recognize the significant contributions made by both Turkey and Greece in Operation Desert Shield and Operation Desert Storm and we applaud both Greece and Turkey for their support. However, in the interests of regional stability, I believe it vital that the Cyprus problem be resolved and that the onus of that burden lies in the lap of both Turkey and Greece.

Accordingly, after extensive debate, our Europe and Middle East subcommittee was convinced that the maintenance of the 7/10 ratio in security assistance between Greece and Turkey has played a critically important role in regional stability since its inception.

In order to be equitable, after reducing Turkey's FMF by some \$10 million, our subcommittee did increase Turkey's economic support.

Accordingly, Mr. Chairman, I encourage our colleagues to support the recommendations of our Subcommittee on Europe and the Middle East in maintaining the 7/10 ratio and in trying to maintain stability in that region.

Thank you, Mr. Chairman.

Mr. HAMILTON. The Chair recognizes Mr. Wolpe.

Mr. WOLPE. Thank you very much, Mr. Chairman.

I, too, must speak in opposition to the amendments offered by my good friend from New York, Mr. Solarz, in support of the subcommittee recommendation.

Again, like colleagues who have spoken before me, it needs to be understood that in opposing this amendment it is not to take anything away from the contribution of Turkey in the Gulf crisis. Turkey's contributions are deeply appreciated and indeed significant. But the subcommittee has in fact recognized the significance of that contribution in the substantial increase of economic assistance to Turkey over the current fiscal year.

Moreover, it needs to be underscored that Greek and Cypriot support of the Gulf coalition was also very significant in the final outcome. And so to think that it was not only Turkey—it was not Turkey alone that assisted our efforts, it was the Greeks and the Cypriots as well.

More importantly, if we were to alter the ratio at this point, we would essentially alter what has been American policy for Turkey, which has been linked with the settlement on Cyprus. Elimination of the ratio, in my view, could undermine ongoing efforts to get a

settlement through the United Nations and I think it would be very, very counterproductive.

There is a lot of talk these days about a new world order. Well, I hope that by a new world order we really do mean respect of the rule of law. And for America to call for a new world order, for that call to be credible, the United Nations charter and Security Council resolutions in Cyprus must be enforced. We all need to be reminded that the resolutions in fact call for the removal of the 35,000 illegal Turkish troops prior to negotiations. That has not happened.

So I just think it is ill-timed to consider an alteration of the 7/10 ratio. I think it would send the very wrong signal at a very sensitive point in the diplomacy and I would hope that the subcommittee recommendation will be upheld.

Thank you.

Mr. HAMILTON. Mr. Burton.

Mr. BURTON. Mr. Chairman, before I give my testimony, I wonder if we have anybody here from the administration who could give the administration's position on this issue.

Mr. HAMILTON. Please identify yourself and respond to Mr. Burton's inquiry.

Mr. JOHNSON. Mr. Chairman, my name is Ralph Johnson. I am Deputy Assistant Secretary in the European Bureau and I handle, among other things, southern Europe. I would be happy to answer questions or to give the administration's—

Mr. HAMILTON. I think the request is just to have you state the administration's position, is that not right, Mr. Burton?

Mr. BURTON. Yes.

Mr. JOHNSON. The administration supports the amendment which has been offered by Congressman Solarz strongly. We believe that Turkey took a courageous position during the Gulf crisis, that Turkish help was instrumental in saving American lives, because it was possible to use Turkish bases, further, that Turkey played an extremely important role in cutting off the oil pipeline and enforcing the embargo against Iraq.

Each of these actions has had costs, both political and economic. In addition, Turkey's activity during the Gulf crisis revealed shortcomings in Turkish defense, particularly in air defense, and this explains why we have sought additional money in the FMF account as opposed to simply an increase in ESF.

So that we see that Turkey has financial needs in general, the amounts that have been talked about as far as pledges for Turkish support are pledges. It has been earlier cited that approximately \$1.8 billion has so far been made available from those who pledged support to help Turkey. The fact is that if one looks at the financial needs within the Middle East of many of those who pledged—we will be pressing very hard to get the rest of those commitments delivered, but I think one has to have some caution in that regard.

I would add as well that there are now additional costs that Turkey is bearing in the form of approximately \$100 million a month for the month of April for support costs for the Kurdish refugees.

We do not see this as an effort in any way intended by the administration as a blow at Greece. Greece has approximately \$900

million in FMF credits at its disposal. We are requesting another \$350 million this year. It is intended by us a response to what we see as a need which emerged very clearly in the course of the Gulf crisis, Mr. Chairman, and I will end with that.

Mr. BROOMFIELD. I wonder if the Secretary would comment on the economic conditions in Turkey. How serious are they?

Mr. JOHNSON. Turkey has been very cautious in terms of handling—prudent, I guess I would say, in terms of handling its economic situation, but there are signs of increasing inflation. Turkey is losing, I would guess, upon the order of—continues to lose on the order of \$1 billion a year as a result of the continued embargo on Iraqi exports, so that there are definite signs of strain both in terms of liquidity and in terms of pressure on inflation from within Turkey, sir.

Mr. BROOMFIELD. Would you not say that the help that the subcommittee has provided on the economic side is extremely important?

Mr. JOHNSON. Mr. Broomfield, I would agree with that. We are encouraged by the overall amount. The concern we have is first that we see a military requirement. I mentioned—

Mr. BROOMFIELD. What is the military requirement? Who is going to invade Turkey? Why do they not pull the troops off Cyprus? They have 30,000 troops. That is what you are supporting. That is what the administration is supporting.

Mr. JOHNSON. The presence of the Turkish divisions in southeastern Turkey, we think, was clearly helpful in keeping Iraqi troops in the north.

Turkey, if one looks at instability in the north as well, given the situation in the southern republics of the Soviet Union, if one looks at the situation, the continuing unstable situation in northern Iraq, it seems to us that particularly looking at the question of air defense there is a continuing need for a strong security presence.

Mr. BROOMFIELD. Let me ask you one simple question and I would hope you would give an honest answer.

The executive branch has been trying for years to break this 7/10 ratio. What good has it done so far as getting Turkey to be a little more serious about resolving the Cyprus issue? I personally think you have lost all leverage on this matter. I would expect the administration to have it high on its agenda—and I believe Jim Baker does—to do something about the Cyprus issue.

The way you are talking, you do not seem to care about the 7/10 ratio. Abandoning the ratio would be perfectly okay as far as you are concerned.

Mr. JOHNSON. Congressman, we have not, as you recall, we have not as an administration accepted the principle of the 7/10 ratio from the beginning. And so from our perspective, it is not quite the same, the question of breaking the 7/10 ratio, since we have not historically accepted it as a principle.

What we are suggesting is simply that the crisis has shown new needs, new economic and military requirements in Turkey which we are responding to. Were it not for this crisis, I think you would be seeing a different request from the administration this year for Turkey.

Mr. HAMILTON. Mr. Burton is recognized.

Mr. BURTON. Thank you, Mr. Chairman.

Well, it is rare that I disagree with my good friend from Michigan, our ranking Republican, Mr. Broomfield. We all love him dearly, but in this particular case, I do have a very strong difference.

Mr. Broomfield indicated that there was going to be restitution from Iraq due to the U.N. resolution that was passed. Good luck. Iraq has a lot of problems and it may be a long, long, long time before there is any restitution for Kuwait or any of the countries that were involved in that war in the Gulf.

I believe our friendship should be recognized, our friends should be recognized and rewarded, and Turkey very clearly showed their support for our efforts in the Gulf. They laid it all on the line, and we should reward them for that effort.

Now, Mr. Broomfield indicated that there was really no threat to Turkey in the future. The fact of the matter is there is a threat. Turkey has a very long border with the Soviet Union. It is 1300 miles long. And although Soviet forces are leaving Eastern Europe, Soviet forces on Turkey's border have not and will not be withdrawn. In fact, many Soviet troops leaving Eastern Europe are being sent to the Turkish border, and so are tanks and other equipment.

Now, you may recall that the Soviets invaded Afghanistan some time ago, with little notification. We do not believe that is going to happen in Turkey, but I think what we should do is make sure that our good friend Turkey has the resources available to them to protect themselves in the event that there is a problem.

In addition to that, there are a number of countries around that area that are equipped with equipment that could threaten Turkey at some point in the future. The armies of Iraq, Iran and Syria are now equipped with ballistic missiles and chemical weapons which can reach Turkey and we should give Turkey the benefit of the doubt as far as military equipment is concerned in order to protect its interests.

Some of my colleagues have indicated that Turkey is very bad as far as human rights are concerned. If they are as bad as my colleagues have made out, why are we giving them any support at all?

They say well, Turkey did come to our assistance during the war and President Ozal is a good guy and they have made some steps, but there are still violations. The fact of the matter is that is a strawman that they are raising, trying to raise another issue to stop breaking the 7/10 ratio.

Greece is a good ally and we should reward them and work with them as a NATO ally, as we have in the past. But we should really recognize Turkey for their exemplary support during the Persian Gulf crisis, because they went above and beyond the call of duty.

They sent ten divisions, as my colleague Mr. Solarz from New York pointed out, to the border to tie down 100,000 Iraqi troops. And make no mistake about it—that protected an awful lot of American and allied troops in the south during that war. And that cost them a great deal. As a matter of fact, Turkey's economic losses from the Gulf war amounted to \$7 billion—that is \$7,000 million. They closed that pipeline.

The economic problems they have had are going to take a long, long time to recover from. And we should assist them toward that end.

And now we bring up the Cyprus issue. We have hashed this and rehashed this year in and year out and everybody on this committee knows both sides of the issue. They know there are pros and cons on both sides. And to raise this issue again right now, in my opinion, is just ridiculous. And I do not believe that if we break the 7/10 ratio it is going to have an adverse impact on a solution to the Cyprus issue.

Everybody wants that issue resolved, and I believe it will be resolved, but it is not going to be resolved simply because we keep reinstating the 7/10 ratio year in and year out. Cyprus is a good ally, they worked very hard with us. They laid it on the line during the war in the Middle East and we should reward them for that. They are a proven friend. I do not want to criticize our friends in Greece. They have been a strong ally. But when you compare their contribution to the Gulf war to that of Turkey, there is no comparison to be drawn.

As a matter of fact, as I understand it, they sent one frigate, the Illi, and three sealift vessels to help us during the war while Turkey was laying all of it on the line by sending 100,000 troops, giving us base rights there from which to launch attacks against Iraq, and because of that overwhelming support from Turkey, I think we ought to reward them and we ought to break this 7/10 ratio once and for all.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Levine.

Mr. LEVINE. Thank you, Mr. Chairman.

I would just like to raise a couple of issues that frankly I would like to hear a little bit more about in the course of the debate. I think this is one of the more difficult votes that this committee has on this bill or otherwise. And I have been particularly impressed by the arguments that I have heard from Ms. Snowe, Mr. Feighan and Mr. Solarz.

On the one hand, I think that Turkey has come through in terms of the coalition in nothing short of a remarkable fashion. President Ozal of Turkey has taken some very considerable risks on behalf of the coalition and on behalf of vital interests for the entire free world in terms of the Gulf crisis.

I have been very impressed by the Solomonic way in which the chairman of the subcommittee responded to that, along with the membership of the subcommittee, by coming up with what is nothing less than a 25 percent increase for Turkey. As I do the numbers, there is also a \$130 million increase for Turkey, while at the same time maintaining the 7/10 ratio which does have a significance, particularly among our friends in Greece.

And I felt very comfortable with the way the subcommittee resolved this conflict and I thought it was a creative approach. It said to the Turks and said to President Ozal that we do want to be responsive, we do want to be helpful, we do want to signal to you and to your countrymen how grateful the United States is.

At the same time, I am concerned about the argument that Mr. Solarz makes, that there is a symbolism to this that cannot provide

the kind of support for Mr. Ozal that we ought to be providing and I would like to hear that addressed in the context of the debate.

I am encouraged by the arguments Mr. Feighan makes about the progress that we may see on Cyprus. Now, having spent five terms on this committee and five terms on the Middle East subcommittee, I must confess to a degree of skepticism about a short-term solution with regard to Cyprus. However, the arguments Mr. Feighan makes are unique and they are qualitatively different than those that I have heard over the decade that I have been on this subcommittee and they do give me grounds for hope.

It seems to me that what we want to accomplish, Mr. Chairman, is the combination of reassuring our friends in Greece while at the same time responding to the initiative and the courage that President Ozal showed in Turkey in a way that does not undermine the relationship with either side. I am very concerned that breaking the 7/10 ratio hurts us very badly with regard to the message we will be sending to Greece.

I am also concerned that not demonstrating to President Ozal that we are responding in a tangible, substantial way to the courage that he showed will make it more difficult for him and for Turkey to do some of the things that we want to see them continue to do along the lines of the courage that he showed in the context of the Gulf.

So I will be listening carefully to the way in which the proponents on each side deal with our vital interests in maintaining the relationship with Turkey and maintaining the relationship with Greece.

Thus far, I must say the solution that chairman of the subcommittee and the members of the subcommittee came up with strikes me as the best way to accomplish this balance. We are providing President Ozal and Turkey very substantial additional resources without breaking a ratio that I think there is a strong presumption against breaking. But I am open to hearing arguments from both sides addressed to those specific concerns and I thank the Chairman for giving me the opportunity to spell out the framework that I am looking at this with.

Mr. HAMILTON. The Chair will just state that at this point he has three people on the list: Mr. Owens, I do not see him, and then Mr. Miller and myself. I do not have other requests for time at this point.

Mr. Miller is recognized.

Mr. MILLER. Mr. Chairman, I will be very brief. We have certainly heard this argument before. I heard Mr. Solarz give his argument and then I heard the long string of speakers against and I have to say that I was struck by what seems to be an air of unreality that pervades these discussions.

Somehow there is the notion that one nation should be able to determine our military aid relationship in terms of the exact amount or ratio with another nation.

I do not think this is a wise way to construct United States policy and that is primarily the reason why I am going to support the gentleman from New York's amendment.

When I look at the region I see a nation, Turkey, that has long borders with the Soviet Union, Iraq, Iran. Clearly the geography dictates greater military support. There is no question about that.

I see a nation that went out of its way to give substantial support in a big crisis to our nation. That dictates our support.

I see a nation that not only backed us up militarily and with regards to refugee efforts, but I see an Islamic nation that is probably the most democratic Islamic nation in the area. All of that tells me that we should not be tying ourselves to ratio. If we want good relations with Greece, then let us bilaterally and multilaterally try to get those good relations.

If we want good relations with Turkey, let us try to do that but let us not impose a 7/10 ratio on our attempts to provide what we think is necessary military assistance to Turkey, a nation that has been a loyal and friendly ally.

Thank you, Mr. Chairman. I urge support for the Solarz Amendment.

Chairman FASCELL. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman.

I appreciate, of course, that it is always difficult for Members to make judgments between two good friends. We are talking here about two good friends, Turkey and Greece. I want to agree with those who have spoken before to say that Turkey did play a key role in the Persian Gulf crisis. No question about that. They made a number of very important contributions there.

I think it is important for members to recognize that—and this goes to Mr. Levine's question, I think—we are in the recommendations of the subcommittee responding generously to Turkey's actions in the Persian Gulf.

Members will remember that we have already provided \$200 million extra in supplemental financing this year. I do not agree with the statement that the committee position is a slap in the face to Mr. Ozal. We are increasing aid to Turkey under the recommendations of the subcommittee by 25 percent. That is an astounding increase. I do not know that it is matched anywhere else in this bill.

We are cutting the total amount requested by the administration, total aid to Turkey, in this bill by only \$10 million. That is a 1.4 percent cut. In other words, a very minor cut.

Now, let me make several points about the subcommittee's recommendation.

The first point is that Turkey is already receiving an enormous amount of assistance outside this bill. If you add all of the spigots that provide aid to Turkey, we figure that that amount has been in excess of \$1.3 billion in 1991. That figure does not include the excess military equipment that is going under the Southern Regional Amendment.

I have asked for that figure but the administration, for I suppose understandable reasons, does not provide that figure to me at this point.

They also got \$2 billion from the Ex-Im Bank approvals in 1990 and almost \$1.5 billion of that was for helicopters. The point is that Turkey is receiving a huge amount of assistance outside this bill and it is an incorrect perspective of aid to Turkey just to look at the figures in this bill.

Our recommendation for fiscal year 1992 is a 25 percent increase over total assistance provided to Turkey in fiscal year 1991. So, the first point is that we as a nation are being exceedingly generous to Turkey. I am quite prepared to support that level of aid but I do not think it is correct to indicate that we have not been responsive and that we have not been generous in recognizing what President Ozal and Turkey have done.

Now, the second point is that Turkey's needs are economic. I have had a number of letters come to me from groups that strongly support Turkey. The plea in those letters without exception is that Turkey needs economic help. That is precisely what we have done. We have moved up the economic aid figure from \$75 to \$190 million—that is an increase of \$115 million. The losses that Turkey has sustained as a result of this war are economic and financial.

The third point I want to make relates to the pipeline. Turkey has almost \$1 billion in the FMF pipeline and some of that money dates clear back to 1983. Turkey does not need more FMF money at this time.

The next point I want to make is that we ought to take into account the military threat to Turkey. Everybody I think would agree that the military threat to Turkey has been reduced. It has not been increased and yet we are trying to increase the military assistance.

With the conclusion of the cold war, the destruction of most of Saddam Hussein's military might, the military threat to Turkey today is significantly less than it was two years ago. Despite that fact, the amendment before us seeks to increase the all grant U.S. military assistance to Turkey by 25 percent. I think we have to ask ourselves do we simply continue to provide assistance to our friends on the basis of what is requested without any reference to the actual threat that the country faces.

Today, Turkey's primary needs are economic. Their military needs have been reduced over these last two years and our program ought to reflect that.

Finally, let me just say that I think retaining a rough balance in the Eastern Mediterranean is clearly in the U.S. interests. This is not a debate about the 7/10 ratio because if you total up all that we do for Greece and then all that we do for Turkey, you are far in excess of that 7/10 ratio with respect to Turkey. I think that maintaining a rough kind of a balance is important.

One other point I want to point out to Members and that is this: that the terms of the military assistance varies considerably here, with Turkey receiving a 100 percent grant program and Greece receiving less than 20 percent of its total military assistance in grant aid.

When you take all of these factors into consideration, including the very outstanding help that we got from Turkey in the Gulf, but when you review all of these circumstances, all of the spigots, all of the forms of aid going to Turkey, the fact is that Turkey's most important needs now are economic and financial and that is what we tried to respond to with an increase to them, a very generous increase to them; the fact is that they have ample FMF funds, a large pipeline; so I think the subcommittee recommendations are

right on the mark. I would urge the members of this committee to reject the Solarz amendment.

Chairman FASCELL. Mr. Hamilton, your logic is impressive. I could not add a thing to it. You certainly have convinced me.

Mr. Owens.

Mr. OWENS. And, Mr. Chairman, he has convinced me. I was prepared to be convinced but I wanted to let the debate close with those remarks of our distinguished Chairman.

I apologize that an amendment of mine on the floor kept me from participating in this debate which I wanted very badly to participate in but I want to associate myself and support the remarks of our distinguished subcommittee Chairman. In our rush to pat Turkey on the back, I hope we will not slap Greece in the face. They are an old, valued, very, very important friend.

VOTE ON THE SOLARZ AMENDMENT

Chairman FASCELL. The question is on agreeing to the Solarz amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

All those opposed, no.

[Chorus of noes.]

The noes have it, and the amendment is not agreed to.

We will adjourn until 2:00 o'clock.

[Whereupon, at 12:26 p.m., the committee recessed, to reconvene at 2:00 p.m. the same day.]

AFTERNOON SESSION

Chairman FASCELL. When we arose, we were on Title VIII and we are now on the last reservation on Title VIII.

The Chair recognizes Mr. Hyde.

HYDE AMENDMENT—ARMS TRANSFERS TO THE MIDDLE EAST

Mr. HYDE. Thank you, Mr. Chairman.

Mr. Levine, who was interested in this amendment, has accepted it and while he is not present, I can assure you I talked to him this morning and he is amenable to it.

Chairman FASCELL. The clerk will report the amendment.

Mr. BRADY. Amendment offered by Mr. Hyde. Page 468, line 18.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for discussion and amendment.

[The amendment of Mr. Hyde follows:]

[May 22, 1991]

AMENDMENT OFFERED BY MR. HYDE TO COMMITTEE PRINT DATED 05/06/91

Page 468, line 18, strike out "Congress" and insert in lieu thereof "appropriate congressional committees".

Page 468, line 22, strike out "United States".

Page 468, line 22, insert "and defense services" after "articles".

Page 468, line 23, insert "by all countries during the previous calendar year" after "region".

Page 468, line 25, strike out "those transfers" and insert in lieu thereof "United States transfers of defense articles and defense services to the region".

Page 469, line 3, strike out "those transfers" and insert in lieu thereof "the transfers described in paragraph (1)".

Page 469, delete lines 9 through 11.

Page 469, line 12, strike out "weapons" and insert in lieu thereof "defense articles and defense services".

Page 469, line 15, strike out "In" and all that follows through the end of line 16 and insert in lieu thereof the following: "The analysis required by subsection (a) shall be based on the following factors:"

Page 469, line 17, strike out "transfer" and insert in lieu thereof "transfers of defense articles and defense services".

Page 469, line 9, strike out "A specific" and insert in lieu thereof "With respect to United States transfers, an"

Page 469, beginning in line 19, strike out "the transfer is required" and insert in lieu thereof "those transfers were intended".

Page 469, line 21, strike out "exists for the transfer" and insert in lieu thereof "existed for the transfers".

Page 469, beginning in line 22, strike out "the transfer will stimulate" and insert in lieu thereof "those transfers will contribute to".

Page 470, line 3, insert "and defense services" after "articles".

Chairman FASCELL. The Chair recognizes the gentleman from Illinois in support of his amendment.

Mr. HYDE. Thank you, Mr. Chairman.

My amendment is to Section 813 of Title VIII, which is located on page 468 of the committee print.

In light of the recent war in the Persian Gulf, efforts to monitor the flow of arms into the Middle East and to require an assessment of the impact of this arms flow on Israel's qualitative military edge are both highly commendable. The principal thrust of my amendment is to broaden the scope of the information required under Subsection A of Section 813 consistent with this committee's goal of promoting comprehensive restraints on arms transfers to the Middle East.

Subsection A currently requires a report assessing the impact of arms transfers on the military balance only with respect to the impact of U.S. arms transfers to the Middle East. My amendment expands this reporting requirement to cover arms transfers to the region from all sources.

Pursuant to this amendment, we could measure the impact on Israel's qualitative edge of arms transfers to Israel's Arab adversaries by such countries as the Soviet Union, North Korea, China and other arms suppliers. This amendment also makes several technical modifications to Section 813.

In sum, this amendment will provide the Congress with a more comprehensive picture of arms transfers to the Middle East and their effect on the regional military balance.

The amendment is the product of discussions with the majority and has the support of the Chairman of the Subcommittee on Europe and the Middle East.

Mr. HAMILTON. Would the gentleman yield?

Chairman FASCELL. Mr. Hamilton.

Mr. HAMILTON. I want to commend Mr. Hyde and Mr. Levine for working this out. We certainly support it and I will support the gentleman's move to adopt it.

Mr. HYDE. Thank you.

VOTE ON THE HYDE AMENDMENT

Chairman FASCELL. Is there further discussion on the Hyde amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the Hyde amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

Mr. HYDE. Mr. Chairman, are we now closed on Title VIII?

BURTON AMENDMENT—AID TO JORDAN

Chairman FASCELL. Mr. Burton, do you have one on Title VIII? The Burton amendment on Title VIII, bill clerks.

What page are you on, Mr. Burton?

Mr. BURTON. Page 472, after line 2.

Chairman FASCELL. Page 472, after line 2.

The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Burton. Page 472, after line 6, insert the following.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full, and open for discussion and amendment.

[The amendment of Mr. Burton follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. BURTON OF INDIANA

Page 472, after line 2, insert the following:

SEC. 816. JORDAN.

The Congress is extremely distressed at Jordan's behavior and attitude during Operation Desert Storm. Assistance may not be provided to Jordan for fiscal year 1992 under the Foreign Assistance Act of 1961.

Chairman FASCELL. The Chair recognizes the gentleman in support of his amendment.

Mr. BURTON. Thank you, Mr. Chairman.

What this amendment does or would do is cut off American aid to Jordan. Jordan's behavior has been intolerable. They have not displayed the loyalty we would expect from an ally. King Hussein and other Jordanian officials made very inflammatory statements during the Gulf crisis. Their tone was violently anti-American. There is strong evidence of Jordanian-Iraqi cooperation, including weapons shipments. It is outrageous to think that while 550,000 Americans were putting their lives on the line, Jordan was aiding our enemies.

Terrorist raids across the border into Israel have risen dramatically. Jordan was already forming a united front with Iraq at a time when Saddam Hussein was threatening to incinerate—and I quote—incinerate half of Israel. This was in the spring of 1990, and I have the newspaper documentation for that.

Earlier this year, Oman hosted a terrorist conference—this is 1991—Oman hosted a terrorist conference which included Abu Nidal and George Habash. Jordan has become a haven for major terrorist groups and operations.

Is King Hussein in charge or not? If he is reflecting his people, then they do not deserve our help. If he is speaking for himself, that is even worse.

Jordan continues to support the Arab boycott. This harms American companies. We should not be aiding any countries that boycott American companies. In fact, we should think about imposing trade sanctions on Jordan or any other Arab country that observes the boycott.

The bottom line is that actions have consequences. Jordan chose to side with our enemies, Iraq. We are not obligated to reward them for this. Saudi Arabia understands this concept very well and they have cut off any business with Jordan completely.

In addition to everything else, Jordan is not helping the peace process. As usual, they are timidly following the rest of the pack. They did not support the Camp David accords; they entered the six-

day war despite the fact that Israel begged them not to do so. That is how they lost the West Bank to Israel.

Actions do have consequences, Mr. Chairman. It is time our foreign policy reflected this principle.

Mr. Chairman, can I reserve the balance of my time to close?

Chairman FASCELL. You can. Is there any further discussion with regard to this amendment?

Mr. Hamilton.

Mr. HAMILTON. Mr. Chairman, thank you.

I can certainly understand the reasons that the gentleman has very ably stated to cut assistance for Jordan, but I think the amendment is not helpful and is counterproductive, for several reasons.

First of all, Secretary Baker is, as we all know, engaged heavily now in this effort, peace process effort, trying to restart the talks in the Middle East. By his observation and others, Jordan is key to this process. I think this kind of an amendment now would really put a further obstacle in an already difficult path.

It is also true, I think, that while what the gentleman says is correct about our disappointment with Jordan's position during the war, that we really are now engaged in the process of trying to rebuild that relationship which was very damaged during the current crisis.

The other point I would make about the amendment is that I think it is not necessary. The United States' economic and military aid to Jordan at the present time is suspended. That means that \$91 million that is allocated for 1991 and \$57 million proposed for fiscal year 1992 are both on hold.

And before that assistance can be provided, the President has to comply with Section 502 of the Foreign Operations Appropriation Act of 1990 and that calls for a certification by the President that Jordan has taken steps to advance the peace process in the Middle East or that furnishing assistance to Jordan would be beneficial to the peace process in the Middle East. I think that provision of the law is sufficient itself.

So my view is that this amendment would not be helpful, it would be counterproductive. I would ask the gentleman to consider the possibility of withdrawing the amendment. If he is not able to do that, then I would urge its defeat.

Mr. MILLER. Mr. Chairman.

Chairman FASCELL. Mr. Miller.

Mr. MILLER. I just want to briefly commend my colleague from Indiana for bringing this issue up. I support him completely. I think this amendment is overdue. After what Jordan did during this recent conflict, for us to indicate even the possibility of continuing aid to Jordan during this next year makes us seem obsequious.

And contrary to some of my colleagues who fear great adverse consequences in the overall Middle East pattern of on again, off again negotiations, I think this will have a very distilling and clarifying effect on the Middle Eastern situation.

Thank you, Mr. Chairman.

Chairman FASCELL. Well, let the Chair state that I am persuaded by the logic of the chairman of the subcommittee. Aid to Jordan

has already been suspended. Moreover, Secretary of State Baker is in the midst of very difficult negotiations to get the peace process started again, and I don't think we should do anything that would make his job more difficult. I would hope you would consider withdrawing your amendment at this point.

BURTON AMENDMENT WITHDRAWN

Mr. BURTON. Mr. Chairman, I do take issue with my colleague from Indiana and the comments you have just made, but in deference to you as Chairman, I will withdraw the amendment right now, but I reserve the right to introduce it on the floor.

I believe that there would be overwhelming support for this amendment should it reach the floor. I think my constituent mail reflects this and I believe the constituent mail of most Members of Congress who had their constituents write to them about this would indicate that.

I think that if we see more cooperation from Jordan in the peace process and other bilateral issues before this reaches the floor, maybe we will not have a vote on it. But I would strongly suggest to the Jordanian government that they reevaluate their attitude and their positions, and hopefully this will not have to come to a vote.

Thank you, Mr. Chairman.

Chairman FASCELL. I think the gentleman from Indiana has made his point, and I appreciate his cooperation. And, of course, he is protected with regard to his right to amend the bill on the floor as he may see fit.

Are there any other amendments or reservations to Title VIII?

Mr. BURTON. Mr. Chairman?

Chairman FASCELL. Mr. Burton.

BURTON AMENDMENT—AID TO SYRIA

Mr. BURTON. Yes, I have another amendment.

Chairman FASCELL. All right. The Burton amendment.

Mr. BURTON. On page 463.

Chairman FASCELL. On page 463, the clerk will report the amendment.

Mr. INGRAM. Amendment by Mr. Burton, page 463—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full, and open for discussion and amendment.

[The amendment of Mr. Burton follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. BURTON

Page 463, line 24, strike out "and"; page 464, line 3, strike out the period and insert in lieu thereof " and"; and after line 3, insert the following:

(9) the Government of Syria has extradited the notorious Nazi war criminal Alois Bruner to Germany.

Chairman FASCELL. The Chair recognizes the gentleman from Indiana in support of his amendment.

Mr. BURTON. Thank you, Mr. Chairman.

Mr. Chairman, there was a "Dear Colleague" that was sent by a Member of Congress, Mr. Michael McNulty, regarding a man named Alois Bruner. I would like to read from this letter briefly.

He said Adolph Eichmann called this gentleman—if you want to call him that—"one of my best men." A Greek deportee said, "He personified Teutonic sadism in all its horror." Both were referring to Alois Bruner, the most wanted Nazi criminal who is alive today—Alois Bruner, who was personally responsible for sending to their deaths more than 140,000 Jews from Austria, Germany, France, Slovakia and Greece. Alois Bruner, who flogged his victims with horsewhips made of thin leather thongs threaded with iron wire and then terrorized his Jewish victims with a pistol aimed against their necks, foreheads or temples. Alois Bruner, who near the war's end, sent 180 children from Jewish run orphanages to their deaths, including 34 children from Lovasenes, France.

For his crimes against humanity, Alois Bruner was sentenced to death in absentia in 1954 by French courts in Paris and Marseilles, but he escaped capture. He also is wanted in Austria and in Germany but since 1955, he has lived in Damascus under the protection of President Hafez Al-Assad, who provides him with bodyguards, and he boasts about his crimes with impunity.

The time has come for Alois Bruner to be brought to justice, for him to be returned to Germany for trial.

Now, Mr. Chairman, Syria has been harboring this vicious war criminal for over 30 years. He was a deputy to Adolph Eichmann. He was responsible for sending over 140,000 Jews from those countries to their deaths in concentration camps. He did send 180 Jewish orphans to their deaths at the end of the war and he was sentenced to death in absentia by a French court.

Now, since 1955, he has been in Syria. They have been protecting this fellow and I think that we ought to mandate that he be returned for trial because he is an inhuman person who should pay the penalty for the horrible atrocities that he committed during World War II and I think this amendment should be passed.

Mr. HAMILTON [presiding]. Mr. Burton, I want to check with you on the numbering here. This is at the bottom of page 463—that paragraph is number 7. Your paragraph then would go in at that point—your paragraph is number 9, so you would want to renumber, I presume, correct?

Mr. BURTON. That would be fine. Yes, sir.

ADMINISTRATION POSITION ON BURTON AMENDMENT

Mr. HAMILTON. All right. First of all, may I ask the administration what their position is on this amendment?

Mr. PECKHAM. Mr. Chairman, consistent with our—

Mr. HAMILTON. Identify yourself, if you would, please.

Mr. PECKHAM. I am Gardner Peckham, Deputy Assistant Secretary of State for Legislative Affairs.

I was going to say simply that consistent with our attitude that we do not support restrictions placed in the law on the President's flexibility, we would not support the amendment, notwithstanding the subject matter of it. I am not familiar with this particular case, but the President's request did not seek these kinds of restrictions

on our assistance to Syria. Therefore, we are not in a position to support this amendment.

Mr. HAMILTON. Does anybody know the position of the Federal Republic of Germany with respect to this? Have they made a request to extradite the man?

Mr. BURTON, do you know?

Mr. BURTON. My staff says that yes, they have made a request for extradition.

Mr. HAMILTON. So what we are doing is fully supportive of the Federal Republic's position here?

Mr. BURTON. Yes, sir.

Mr. HAMILTON. Okay. Any further discussion?

Mr. Gilman.

Mr. GILMAN. Mr. Chairman, I just want to commend the gentleman from Indiana for bringing this measure to the attention of the committee. I think it is appropriate and I urge the committee to support the amendment.

VOTE ON THE BURTON AMENDMENT

Mr. HAMILTON. Any further discussion?

[No response.]

Mr. HAMILTON. The question is on the amendment offered by the gentleman from Indiana. All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Those opposed no.

[No response.]

Mr. HAMILTON. The ayes have it and the amendment is adopted.

Are there any further amendments to Title VIII?

[No response.]

TITLE IX

Mr. HAMILTON. The Chair designates Title IX.

Mr. HYDE. Mr. Chairman, I have an amendment.

Mr. HAMILTON. Mr. Hyde.

Mr. HYDE. Were you going to do a technical en bloc first or shall you go to my amendment? Do you want to go to my amendment?

Mr. HAMILTON. Does the Chairman have an en bloc amendment?

Mr. HYDE. Yes.

SOLARZ EN BLOC AMENDMENT TO TITLE IX

Mr. HAMILTON. We will let him proceed with that first. Mr. Solarz is recognized. The clerk will distribute the en bloc amendment of the gentleman from New York.

Mr. SOLARZ. Thank you, Mr. Chairman.

This en bloc amendment has been worked out with the minority.

Mr. HAMILTON. The clerk will read the amendment.

Mr. INGRAM. En bloc amendment offered by Mr. Solarz.

Mr. HAMILTON. Without objection, the amendment is considered as read and printed in the record.

[The amendment of Mr. Solarz follows:]

ICA91A031

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. SOLARZ

Page 541, strike out lines 14 through 19 (section 906)
and redesignate subsequent sections accordingly.

Page 546, line 17, after "list" insert "for military
end-users".

Page 547, line 8, strike out "in a nuclear program" and
insert in lieu thereof "for any nuclear explosive device, or
for research on or development of any nuclear explosive
device,".

SLS106

(May 21, 1991)

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
 offered by Mr. Solarz

Page 556, lines 21 and 22, strike "against civilians"
 and insert "that have caused civilian casualties".

Page 557, line 17, strike "condemns ongoing acts of
 terror" and insert "strongly condemns ongoing acts of
 terror, including killings of civilians, kidnapping, and
 destruction of civilian property,".

Page 558, line 2, strike "and".

Page 558, line 13, strike the period and insert ";
 and".

Page 558, after line 13, insert the following new
 paragraph:

- 1 (5) believes that continued progress on these issues
- 2 will help to ensure further improvement in the
- 3 relationship between the United States and Sri Lanka,
- 4 based on mutual trust and respect.

Page 559, line 5, insert "in all provinces" after
 "civilians".

SLS106

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Page 559, after line 15, insert the following new subsection:

- 1 (d) ASSISTING THE SRI LANKAN GOVERNMENT TO PROVIDE HUMAN
- 2 RIGHTS TRAINING AND EDUCATION.--The President should
- 3 encourage and assist the Government of Sri Lanka to provide
- 4 effective human rights education and training in educational
- 5 institutions in Sri Lanka, within the society at large, and
- 6 to members of the security forces, including the police, the
- 7 military, and paramilitary organizations.

Mr. HAMILTON. The Chair recognizes the gentleman from New York.

Mr. SOLARZ. Thank you, Mr. Chairman.

There are three components to this amendment. The first is a technical change requested by the administration to Section 910, which involves the annual certification regarding arms transfers to the PRC. The change would replace the phrase "nuclear program" with "or any nuclear explosive device or for research on or development of any nuclear explosive device."

The change makes clear that the committee is not trying to restrict exports relating to peaceful nuclear programs such as nuclear power plants, but only nuclear weapons or elements that are designed to facilitate the acquisition of nuclear weapons.

The second component is an amendment deleting the requirement that AID consolidate all Asia programs into one bureau. I am pleased to say that AID has already decided to make this change, so the amendment is moot.

Thirdly, several modifications to the Sri Lanka provision designed to describe more clearly the abuses committed by the militants, to encourage the President to assist the Sri Lankan government, to provide human rights training and education and to emphasize that progress on promotion of human rights in Sri Lanka will ensure an improved U.S.-Sri Lankan relationship based on mutual trust and respect.

I believe this is acceptable to the minority and our friends in the administration are not raising any objections.

Mr. LAGOMARSINO. Will the gentleman yield?

Mr. SOLARZ. Yes.

Mr. LAGOMARSINO. In the absence of Mr. Leach, the ranking minority member on the Asia and Pacific subcommittee, I have been informed by our staff that all of these amendments are acceptable to the minority and, indeed, I think will resolve some problems that we did see with the language of the bill.

VOTE ON THE SOLARZ AMENDMENT

Mr. HAMILTON. Any further discussion?

[No response.]

Mr. HAMILTON. The Chair will put the question on the en bloc amendment of the gentleman from New York. All in favor say aye.

[Chorus of ayes.]

Mr. HAMILTON. Opposed no.

[No response.]

Mr. HAMILTON. The ayes have it and the en bloc amendments are adopted.

The Chair recognizes the gentleman from Illinois, Mr. Hyde.

HYDE AMENDMENT—AID TO PAKISTAN

Mr. HYDE. Thank you, Mr. Chairman.

I have an amendment at the desk.

Mr. HAMILTON. The clerk will distribute the amendment. And the clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Hyde.

Mr. HAMILTON. Without objection, the amendment is considered as read, printed in the record and open for amendment.
[The amendment of Mr. Hyde follows:]

AMENDMENT OFFERED BY MR. HYDE

- (1) Page 303, line 22, strike "(1) IN GENERAL.--";
- (2) Page 304, lines 4-5, strike the words ", subject to paragraph (2)";
- (3) Page 304, line 6, strike all through page 305, line 25;

- (4) Page 540, line 13, strike all through line 20;
- (5) Page 540, line 21, strike "(B)";
- (6) Page 540, line 25, insert a period after the word "Pacific" and strike all else through page 541, line 2.

- (7) Page 545, line 7, strike all through line 14;
- (8) Page 545, line 15, strike "(2)";
- (9) Page 545, insert a period after the word "Pacific" and strike all else through line 21.

- (10) Page 555, line 11, strike all through line 18;
- (11) Page 555, line 19, strike "(B)";
- (12) Page 555, line 23, insert a period after the word "Pacific" and strike all else through line 25.

Mr. HAMILTON. The gentleman from Illinois is recognized in support of his amendment.

Mr. HYDE. Thank you, Mr. Chairman.

This amendment has to do with the subject of Pakistan and it has two purposes: first, to delete what is popularly known as the Pressler certification for Pakistan and second to delete the provisions of Title IX of the print which allocate funds originally set aside for Pakistan for other programs in the Asian-Pacific region.

The intent of my amendment is to treat Pakistan the same as every other country that has the potential to develop a nuclear explosive device. Because halting nuclear proliferation is a vital priority of ours, my amendment leaves intact Section 6201(A)(5) and Section 6206 of the committee print. These provisions provide general authority for the President to halt assistance to any nation which delivers or accepts nuclear technologies or weapons outside the norms of acceptable international guidelines.

My amendment adheres to the committee's objective of developing a basic foreign assistance act that allows the United States to adequately respond to foreign policy challenges while maintaining the appropriate congressional-executive relationship in the conduct of foreign relations.

As the Hamilton-Gilman task force concluded two years ago, "Foreign assistance is vital to promoting U.S. foreign policy and domestic interests but the program is hamstrung by too many conflicting objectives, legislative conditions, earmarks and bureaucratic red tape."

The United States-Pakistan relationship is built on more than a single issue. Our two nations have broadly shared regional interests in which Pakistan has served as a loyal and courageous ally. We owe a debt of gratitude to the Pakistani government and its armed forces for its tenacity in turning back the Soviet invasion of Afghanistan. I might point out that Pakistan is and has been for years the host of 3 million Afghan refugees.

Furthermore, as an early and strong supporter of the United Nations' effort to eject Saddam Hussein's army from Kuwait, Pakistan sent troops to fight alongside the United States in the Persian Gulf.

The second part of my amendment deletes language requiring U.S. assistance funds originally allocated for Pakistan to be used for other purposes if Pakistan does not qualify for a Pressler certification by September 30, 1991.

Besides the fact that this allocation of funds by the Asia subcommittee cuts against efforts to restore flexibility, the nuclear non-proliferation issue is too important to be the subject of an arbitrary legislation deadline as this proposal in the bill would do.

If we mandate the reallocation of Pakistani assistance funds after September 30, I am concerned that the wrong political message will be sent to the government of Pakistan, which may undermine our efforts to make progress on the issue of nuclear non-proliferation.

Furthermore, in my view, the reallocation of Pakistan assistance sends a message to Pakistan that we are not interested in a cooperative bilateral relationship if the nuclear issue cannot be resolved by September. Efforts by Pakistani Prime Minister Sharif to ad-

dress U.S. nuclear proliferation concerns would most certainly be undercut if we completely cut off this assistance.

My amendment allows discussions to continue between us and the Pakistanis over the nuclear issue while continuing to subject Pakistan to the general restrictions against nuclear proliferators which are contained in the committee print.

Our nuclear non-proliferation policy must not be blind to other U.S. policy interests or arbitrary in its application. Instead, our policy must be focused and consistent in its treatment of all countries involved in nuclear proliferation.

I urge my colleagues to support this amendment which would restore some balance to our approach on this issue. And, frankly, I cannot see why we pick on Pakistan because they may be moving towards developing a nuclear bomb when India has already exploded a nuclear device in 1974 and Pakistan has not made a bomb, has not exploded a bomb, has not passed nuclear materials to anyone.

If we are going to insist on a degree of purity from Pakistan, why do we not insist on it from India? Why do we not insist on it from other countries that we know have nuclear weapons, have the capability of producing them and have not signed the nuclear non-proliferation policy?

I am really loathe to have my country be hypocritical and be so selective as to pick on one country that has been our ally, that sent troops to fight in Operation Desert Storm, that has hosted 3 million refugees from Afghanistan and then we kick them in the head like this. I just do not understand it and, Mr. Chairman, if Teresita Shaeffer, the Deputy Assistant Secretary that has cognizance of this area would like to speak in behalf of my amendment, I would certainly welcome her.

Mr. HAMILTON. Mr. Hyde, a vote is pending. We will be glad to hear from her, of course. The committee will stand in recess while we vote and then we will come back and pick up with that if you like.

I understand this is a vote on final passage of the defense authorization bill.

Mr. DYMALLY. Mr. Chairman.

Mr. HAMILTON. Yes?

Mr. DYMALLY. Do we plan to go on to the next title today?

Mr. HAMILTON. We are going to go as far as we can. The Chairman's instructions are to keep going.

Mr. DYMALLY. Fine.

Mr. HAMILTON. So we will come back after the vote and continue. [Recess.]

ADMINISTRATION POSITION ON HYDE AMENDMENT

Mr. HAMILTON. When we concluded, it was suggested by Mr. Hyde that we have the Assistant Secretary come forward. If she would do that, please? To comment on the Hyde amendment.

Identify yourself, please, and proceed.

Ms. SCHAFFER. Thank you, Mr. Chairman.

I am Teresita Schaffer, Deputy Assistant Secretary of State for the Near East and South Asia.

The administration supports Mr. Hyde's amendment. It is consistent with the administration's own proposal in its draft foreign assistance act.

The President explained in transmitting the draft Foreign Assistance Act that the administration wanted to do away with the country-specific aid restriction contained in the Pressler Amendment but that the administration was still vigorously in support of a strong non-proliferation policy and that consequently if that passed, the administration would take the Pressler standard as its standard for exercising the national interest waiver in order to resume an aid program in Pakistan.

So that is how the administration would act if this provision passed. We believe that it would serve the useful purpose of giving the President the flexibility he needs to try to work out with the government of Pakistan the actions that we think it is important for it to take on nuclear policy and also in helping the administration encourage India and Pakistan to come to a regional understanding which will discourage the very dangerous nuclear competition which is a problem in the area now.

Mr. HAMILTON. Do we believe that Pakistan now has a nuclear weapon?

Ms. SCHAFFER. The President has not certified that Pakistan does not have a nuclear explosive device and that our aid programs will significantly reduce the risk of its doing so.

Mr. HAMILTON. Do we think they have a nuclear bomb?

Ms. SCHAFFER. Well, that is the only statement I can make about that, Mr. Chairman.

Mr. HAMILTON. We do not know.

Ms. SCHAFFER. The President has not been prepared to certify to the contrary.

Mr. HAMILTON. Does that mean he thinks they do have a bomb?

Ms. SCHAFFER. Mr. Chairman, I am not going to be able to give you a yes or no answer to that question in open session.

Mr. HAMILTON. Mr. Hyde, did you have some questions?

Mr. HYDE. We know that India has a bomb, do we not?

Ms. SCHAFFER. Mr. Hyde, we know that India has exploded a nuclear device in 1974. That does not tell us what they might or might not have today.

Mr. HYDE. Is Israel within your territorial jurisdiction?

Ms. SCHAFFER. Not under my personal responsibility, sir, no.

Mr. HYDE. Do you suspect they have a nuclear device?

Ms. SCHAFFER. I am not sure my suspicions have an awful lot to do with the case.

Mr. HYDE. No, I am sure they do not but we are talking about a country-specific prohibition. We are talking about a restriction on an ally, Pakistan, that has provided troops to fight in Desert Storm, that has cooperated in so many ways, that has helped in the Afghan war, is hosting 3 million refugees, and we are saying to them—we are demanding a standard of them we do not demand of India, we do not demand of other countries that have the same capability or greater and I just think it is hypocritical, it is unfair, it is unjust, it is a double standard, and I do not like my government being a part of a policy that imposes those kind of strictures.

I have nothing further and I thank you for your testimony.

Mr. HAMILTON. Thank you.

Mr. Solarz.

Mr. SOLARZ. Thank you very much, Mr. Chairman.

I have considerable respect for the gentleman from Illinois and also considerable respect for the contributions which Pakistan has made to our mutual interests over the years, but I must regretfully say that I think the adoption of the Hyde amendment would be extremely counterproductive.

It would in fact pull the rug completely out from under both our regional nuclear non-proliferation policy and, to a certain extent, even our global nuclear non-proliferation policy.

The fact of the matter is we have utterly unambiguous and unassailable indications that Pakistan is hellbent on the acquisition of nuclear weapons. It is clearly in our interests to prevent the spread of nuclear weapons in the subcontinent.

If Pakistan continues with its efforts to obtain nuclear weapons, they will not be able to qualify for a certification under the Pressler Amendment. If they want to put themselves in a position where they become eligible for about a quarter of a billion dollars in American aid, which ain't peanuts even in Pakistani terms, they would have to come into compliance with the Pressler Amendment. This means that the President would have to be able to certify that they do not possess a nuclear device and that the continuation of our aid program will diminish the possibility that they will acquire a nuclear device.

I do not think this is asking too much.

It may be that even without our aid Pakistan will continue its efforts to obtain nuclear weapons. It may be that they would prefer to have nuclear weapons more than American aid. But we are never really going to know the answer to that question unless we put them to the test.

The problem is that for the last decade every time Pakistan, because of its violations of other anti-nuclear proliferation legislation, has been in a position where its aid was about to be cut off, we issued a waiver so they could continue to get the aid. We have engaged in a kind of political charade with Pakistan. We beat our breasts, we say we do not want you to get nuclear weapons, we issue dire warnings about the implications for American policy. Meanwhile, the Pakistanis go blithely on and, when push comes to shove, we issue some kind of a waiver or we legislatively adopt a waiver.

So Pakistan, for perfectly understandable reasons, has come to the conclusion that we are the ones who always cave in and that they can have their nuclear cake and eat American aid as well. And now a moment of truth is arriving.

To the great credit of President Bush, he has not provided a Pressler certification for Pakistan this year because the facts of the case make it impossible for him to issue such a certification. The administration has been very candid and very clear in discussions with the Pakistanis about what they would have to do to be eligible for a Pressler certification.

So our aid has been suspended and Pakistan is obviously looking at what we are going to do. If I were they, I would say to myself once again the Congress or the administration will cave. But if we

reject this amendment, if we reject other efforts to dilute the Pressler Amendment, it will become clear to Pakistan that they really have to make a choice.

Now, I offer no guarantees that when that truth dawns upon them that they will choose to forego the effort to acquire a nuclear arsenal. There is a very good chance they would rather have nuclear weapons than American aid. But there is at least the possibility that they will forego nuclear weapons and, my God, if there is any one area of the world where it would not be in the interests of our country or the people of the region to have a nuclear arms race, it is South Asia. They have had four wars there in the last 40 years.

Yesterday's tragic events only underscore the extent to which this is an area of extreme volatility. Right now, nobody knows who was responsible for the assassination of Rajiv Gandhi. God forbid it should turn out to be some Seik militant who got his training in Pakistan. We could be at the brink of another Indo-Pakistani war. This is playing with the fates.

Furthermore, we are engaged in an effort to put pressure on Iraq to relinquish its highly enriched uranium, which gives Iraq the capacity to make even now one or two nuclear weapons. If we cave in on the Pressler amendment, if we abandon our efforts to prevent Pakistan from getting nuclear weapons, the signal goes out to Iraq and to other countries that we may cave there as well. And so far, we have at least held the line in the case of Iraq. This would send out a very mixed signal.

Lastly, let me say that under the Hyde amendment, the \$221 million in this bill which Pakistan would lose if it does not qualify for Pressler and which we have reprogrammed for Africa, for Nepal and for the South Pacific, would go back to Pakistan. We would therefore be taking \$200 million away from Africa, which it desperately needs. We would be taking \$10 million away from Nepal which has just had its first truly free and fair election; we would be taking \$10 million away from the South Pacific, which would grieve Mr. Faleomavaega and Mr. Blaz very much.

For all of these reasons, while I understand the concerns of my good friend from Illinois, I do think it would be a mistake to adopt the Hyde amendment and thereby repeal the Pressler amendment, thus opening up the way for a nuclear arms race in South Asia.

Mr. LAGOMARSINO. Mr. Chairman.

Mr. HAMILTON. The Chair has the names of Mr. Dymally, Mr. Lagomarsino, Mr. Burton and Mr. Wolpe.

The Chair recognizes Mr. Dymally.

Mr. DYMALLY. Thank you very much, Mr. Chairman.

Mr. Chairman, the amendment would remove a key section against Pakistan's clandestine nuclear program which is in the book for several years.

The President last year failed to certify that Pakistan did not possess a nuclear device pursuant to the Pressler amendment and aid was suspended. To restore even the possibility of renewed assistance so soon after a Presidential cutoff would be to tell the Pakistanis we either did not mean what we said or mean anything at all in the legislation and it will give them the okay to proceed with their nuclear options.

It has been, Mr. Chairman, consistent U.S. policy over the last five administrations to actively oppose the further proliferation of nuclear weapons and this amendment will reverse that policy.

Moreover, it has been the consistent policy to use significant foreign assistance programs as an inducement for countries to fore-swear nuclear weapons. Pakistan has thumbed its nose at this policy for the last several years and it should not be rewarded for flouting the wishes of one of its largest aid donors.

To argue that we must treat India equally is really beside the point. India has not been a major aid recipient of the United States for several years and the U.S. has maintained its consistent opposition to any Indian nuclear weapons motivations since the nuclear explosion of 1974.

Consistent with the U.S. global policy against the proliferation of weapons of mass destruction, this amendment, Mr. Chairman, simply does nothing to advance that goal and therefore it should be rejected.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman.

Mr. Solarz when he started out his argument against this amendment talked about how it would do damage to our non-proliferation agenda in the region. I submit that is the whole problem. It is not regional, it is only against Pakistan.

I would agree also with Mr. Hyde when he says that Pressler targets only one country, one friend in the world. We do not even have a similar provision against Algeria and the recent reports of nuclear technology from China. And Algeria certainly is not as good a friend as Pakistan has been.

Symington, as the gentleman pointed out, is not being repealed. This is a U.S. law allowing the President to cut off aid due to development of nuclear weapons. So we have safeguards in place already, they are good enough for the rest of the world and the President has already shown by his actions in Pakistan that he is concerned about this and will take appropriate action.

Now, Pressler has no waivers, not even for national security. What if civil war in Afghanistan takes a turn for the worse? What if there is some new political catastrophe in Iran? We might need to provide some sort of aid to Pakistan in our interests, not theirs, right away.

What if we want to support democracy and fight disease and do something about drugs?

Obviously, cutting off all aid to Pakistan, which is what we have now done, is not advancing this interest. I think our policy must be allowed flexibility, ability to meet new challenges and Pressler precludes exploring new avenues of supporting democracy and so on and I think the Hyde amendment is the best way to reach it and I would yield to the gentleman from Illinois, Mr. Hyde, at this point.

Mr. HYDE. I thank my friend for yielding.

I am really mystified—you talk about a regional non-proliferation policy—there is only one country. China has the bomb, India has the bomb, the Russians have the bomb. The only one we are insisting disarm itself is Pakistan.

Now, if mutual assured destruction is such a great and noble theory that we and our arms control intellectuals insist on it over here, imagine Pakistan surrounded by countries with nuclear weapons, especially India. She is taking steps to develop a nuclear capability and we are going to sanction her—we are going to cut her off from aid and we are going to take the aid that was allocated to her and give it to Nepal, give it to the South Pacific and Africa.

Well, you know, that is wonderful. The allocations to them are already way up over what the administration requested and so now what goes to Pakistan becomes an entitlement to Nepal and the South Pacific and the continent of Africa.

You pick on one country, you impose a standard on one country, and you ignore the fact that Section 6201(A)(5) and Section 6206 still apply and it says that clearly under certain specific waiver conditions assistance under this act may not be furnished to a country that—and there is a whole list of things—delivers nuclear enrichment equipment, materials, technology to a non-nuclear weapons state, engages in the transfer of nuclear reprocessing, illegally exports or attempts to export, et cetera, et cetera. There is lots of protection here.

It seems that you are raiding Pakistan so that you can throw some more money to other parts of the world who already have been treated rather well by this committee and you are sticking it to a good friend, a good ally, that put their people on—a Muslim country that put their people on the line in Desert Storm, and this how you treat them.

I do not want anybody to have a nuclear bomb. I wish they could all be dismantled. But while India has one to deny Pakistan at least the gestures towards developing one is anything but symmetrical. I think it is unfair and I think it is a great way to lose influence with a country.

If you want to influence Pakistan's nuclear policy, how much influence do you think you are going to have when you cut them off? I do not think you will have any. I just think this is hypocritical, it is a double standard and I thank the gentleman for yielding me this time.

Mr. HAMILTON. Mr. Burton.

Mr. BURTON. Thank you, Mr. Chairman.

My good friend from New York, Mr. Solarz, thinks that the Presler amendment should be continued and I do not understand the logic behind that.

India has not been a loyal ally of the United States in many respects over the last several years. I recall when 007 was shot down, one of the few countries to not go along with a U.N. resolution condemning the Soviet Union for that action was India. I remember when the invasion of Afghanistan took place. India did not condemn that action and in fact continued a very strong and viable relationship with the Soviet Union, to the extent that they were in cahoots with them in building tanks and airplanes and other military paraphernalia.

In addition to that, we have had an awful lot of human rights violations in India that have taken place for some time in Kashmir and Punjab and when we tried on the floor to cut off aid to India,

at least part of the aid to India, because of these atrocities that were taking place and continue to take place in Kashmir and Punjab, the gentleman from New York worked very hard to stop our legislation.

And here we have right next door a country, Pakistan, that has worked with the United States, has been a loyal ally as has been expressed by Mr. Hyde, and we are going to curtail any assistance to them because they want to have parity with their biggest adversary in the area, India.

India has nuclear weapons. There are constant threats at the border of military action. It seems to me only reasonable, even though we do not want nuclear proliferation, that if our ally, Pakistan, wants to defend itself and stave off the possibility of military conflict, they ought to have the right to do so.

And so I think that the gentleman from Illinois, Mr. Hyde, is absolutely correct. There is a double standard being applied here and it should not be. We should remove the Pressler Amendment and substitute the Hyde Amendment for it. And I think also in the future, and this may not be the time to discuss it because of the tragedy that occurred yesterday with the assassination of Mr. Gandhi, but at some point in the future, we really need to address the problems of Punjab and Kashmir because those atrocities should not continue. They are just unbelievable.

Thank you, Mr. Chairman.

Mr. HAMILTON. Mr. Wolpe.

Mr. WOLPE. Thank you very much, Mr. Chairman.

I want to say that if there is any manner in which Pakistan has been singled out over the years it is by the preferential treatment it has been receiving from the United States.

If you take a look at aid levels, for starters, there is no country in the region that did better by American largess than Pakistan. It received more American assistance over the past decade than all the other countries of the region combined. And there is no country that has more directly flaunted American laws than has the country of Pakistan.

It is the only country that violated the Symington Amendment and that subsequently we reacted to by providing a waiver from the Symington Amendment.

Only Pakistan has required a special waiver to allow the continuation of American aid because it has obtained unsafeguarded enrichment technology.

Only Pakistan violated the Solarz Amendment, which was put on countries that illegally managed to smuggle out of the United States, the equipment and technology related to its nuclear capacity.

And only Pakistan has required a special waiver to allow the continuation of American aid because it has illegally tried to export such goods from the United States.

I mean, this notion that somehow Pakistan is being singled out in a discriminatory sense for negative treatment is absolutely extraordinary, given that whole history. No country has more blatantly violated American law and trust than has the Pakistani government in regards to the issue of nuclear proliferation.

Now, I want to come back to the original observation of my good friend, Mr. Solarz.

I think we all came out of the Gulf crisis understanding very clearly that if there is any single lesson to have been gained from this terrible tragedy it has been the fact that it was the western industrial nations that created this military machine and that provided the technology that Mr. Hussein used in such a threatening fashion.

And if there is any opportunity that now exists in the aftermath of the Gulf crisis, it is for the superpowers to work together to establish a genuinely effective nuclear non-proliferation regime and going beyond that, hopefully, to a missile non-proliferation regime.

If our first response following the Gulf crisis is to now show that we really do not really mean it, that nuclear proliferation is so far down the totem pole of American national concerns and priorities that we are going to once again acquiesce to Pakistan's flaunting of American law and concern, then I submit we will never be able to establish a credible possibility of establishing a genuinely effective international nuclear non-proliferation regime.

So much more is riding on our response here than Pakistan's reaction to the American decision. What is really at stake is whether we are going to seize the opportunity that is now available to us to construct an effective non-proliferation regime.

I would urge opposition to the amendment from my distinguished colleague from Illinois.

Chairman FASCELL. The question is on agreeing to the Hyde amendment.

Mr. ROTH. Mr. Chairman.

Chairman FASCELL. Mr. Roth.

Mr. ROTH. Thank you, Mr. Chairman.

Mr. Chairman, this is a very important issue and Pakistan has taken some real raps on the knuckles here by some members of the committee. Therefore, I would like to yield to someone at this time, a real expert in the field, to shed some illumination on the question so that when we vote on this we have it adequately debated. I would like to yield to my friend from California, Mr. Lagomarsino, to address this issue.

Mr. LAGOMARSINO. I thank the gentleman for the compliment. Just to make a point, the gentleman who just spoke said that Pakistan got more aid than anybody in the region. I would point out that the region that Pakistan is in the State Department includes such other countries as Egypt and Israel, both of whom got more money than Pakistan.

I would point out also that the reason that Pakistan got much of the aid it did was because it was faced with an imminent invasion by the Soviet Union and did suffer attacks across its borders from Soviet aircraft. So there was plenty of good reason for that aid to Pakistan.

Chairman FASCELL. Is there further discussion?

[No response.]

VOTE ON THE HYDE AMENDMENT

Chairman FASCELL. If not, the question is on agreeing to the Hyde amendment. All those in favor will signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[Chorus of noes.]

Chairman FASCELL. It appears to the Chair the noes have it.

Mr. HYDE. Might I have a roll call on that, Mr. Chairman?

Chairman FASCELL. A roll call is demanded.

All those in favor of taking this vote by a call of the roll raise their hands and keep them raised.

[Show of hands.]

Chairman FASCELL. Evidently there is a sufficient number. The clerk will call the roll.

Mr. INGRAM. Mr. Fascell.

Mr. FASCELL. No.

Mr. INGRAM. Mr. Hamilton.

Mr. HAMILTON. No.

Mr. INGRAM. Mr. Yatron.

Mr. YATRON. No.

Mr. INGRAM. Mr. Solarz.

Mr. SOLARZ. No.

Mr. INGRAM. Mr. Wolpe.

Mr. WOLPE. No.

Mr. INGRAM. Mr. Gejdenson.

Mr. GEJDENSON. No.

Mr. INGRAM. Mr. Dymally.

Mr. DYMALLY. No.

Mr. INGRAM. Mr. Lantos.

[No response.]

Mr. INGRAM. Mr. Torricelli.

[No response.]

Mr. INGRAM. Mr. Berman.

[No response.]

Mr. INGRAM. Mr. Levine.

[No response.]

Mr. INGRAM. Mr. Feighan.

Mr. FEIGHAN. No.

Mr. INGRAM. Mr. Weiss.

[No response.]

Mr. INGRAM. Mr. Ackerman.

[No response.]

Mr. INGRAM. Mr. Udall.

[No response.]

Mr. INGRAM. Mr. Fuster.

[No response.]

Mr. INGRAM. Mr. Owens.

[No response.]

Mr. INGRAM. Mr. Johnston.

[No response.]

Mr. INGRAM. Mr. Engel.

Mr. ENGEL. No.

Mr. INGRAM. Mr. Faleomavaega.

[No response.]

Mr. INGRAM. Mr. Studds.

[No response.]

Mr. INGRAM. Mr. Murpny.

[No response.]

Mr. INGRAM. Mr. Kostmayer.

Mr. KOSTMAYER. No.

Mr. INGRAM. Mr. Foglietta.

[No response.]

Mr. INGRAM. Mr. McCloskey.

[No response.]

Mr. INGRAM. Mr. Sawyer.

Mr. SAWYER. No.

Mr. INGRAM. Mr. Payne.

Mr. PAYNE. No.

Mr. INGRAM. Mr. Orton.

[No response.]

Mr. INGRAM. Mr. Broomfield.

Mr. BROOMFIELD. Aye.

Mr. INGRAM. Mr. Gilman.

Mr. GILMAN. Aye.

Mr. INGRAM. Mr. Lagomarsino.

Mr. LAGOMARSINO. Aye.

Mr. INGRAM. Mr. Goodling.

[No response.]

Mr. INGRAM. Mr. Leach.

[No response.]

Mr. INGRAM. Mr. Roth.

Mr. ROTH. Aye.

Mr. INGRAM. Ms. Snowe.

[No response.]

Mr. INGRAM. Mr. Hyde.

Mr. HYDE. Aye.

Mr. INGRAM. Mr. Bereuter.

[No response.]

Mr. INGRAM. Mr. Smith.

[No response.]

Mr. INGRAM. Mr. Burton.

Mr. BURTON. Aye.

Mr. INGRAM. Ms. Meyers.

[No response.]

Mr. INGRAM. Mr. Miller.

[No response.]

Mr. INGRAM. Mr. Blaz.

[No response.]

Mr. INGRAM. Mr. Gallegly.

[No response.]

Mr. INGRAM. Mr. Houghton.

Mr. HOUGHTON. Aye.

Mr. INGRAM. Mr. Goss.

Mr. GOSS. Aye.

Mr. INGRAM. Ms. Ros-Lehtinen.

[No response.]

Chairman FASCELL. The clerk will report the vote.

Mr. INGRAM. On this vote, there are eight ayes and twelve nays.

Chairman FASCELL. And so the amendment is not agreed to.

Mr. Ackerman, you were not recorded for some reason but you did vote no, did you not?

Mr. ACKERMAN. If you say so, Mr. Chairman. [Laughter.]

Chairman FASCELL. I didn't hear anything rattle, Henry. [Laughter.]

Chairman FASCELL. All right. Now, on Title IX, are there any more—

Mr. LAGOMARSINO. Mr. Chairman.

Chairman FASCELL. Yes?

LAGOMARSINO AMENDMENT—AID TO PAKISTAN

Mr. LAGOMARSINO. I have an amendment on Title VIII—IX—pardon me. I am sorry.

Chairman FASCELL. Title IX—is this on the same subject matter?

Mr. LAGOMARSINO. Yes, it is.

Chairman FASCELL. Okay. The clerks will distribute the Lagomarsino amendment.

The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Lagomarsino. Page 305, after line 25, add the following new subsection. Presidential Determination and Waiver.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, open for amendment and discussion.

[The amendment of Mr. Lagomarsino follows:]

AMENDMENT OFFERED BY MR. LAGOMARSINO

(1) Page 305, after line 25, add the following new subsection:

"(h) PRESIDENTIAL DETERMINATION AND WAIVER.--

"(1) The President may provide the assistance described in paragraph (2), notwithstanding the provisions of subsections (d), (e) and (f), if he determines that it is in the national interest of the United States to do so.

"(2) The assistance referred to in paragraph (1) includes--

"(A) assistance provided under Title I, Chapter 2 of the International Cooperation Act of 1991 or under Part I, Chapter 1 of the Foreign Assistance Act of 1961 (related to development assistance);

"(B) assistance provided under Title XV, Subtitle A of the Food, Agriculture, Conservation and Trade Act of 1990 (related to food assistance); and

"(C) assistance authorized under Title I, Chapter 3 of the International Cooperation Act of 1991 (related to economic support assistance) or Part II, Chapter 4 of the Foreign Assistance Act of 1961 (related to the economic support fund) which is made available pursuant to subparagraph (A).

(2) Page 559, after line 15 add the following new section:

"Sec. 927. India.

"(a) AUTHORITY TO WAIVE PROHIBITION.--

"(1) IN GENERAL.--The President may waive the prohibitions of section 6201(a)(5) of this Act with respect to paragraph (1) of section 6206 at any time during the period beginning on the

date of enactment of this section and ending on September 30, 1993, to provide assistance to India during that period if he determines that to do so is in the national interest of the United States, subject to paragraph (2).

"(2) LIMITATION.-- The President may not exercise the waiver authority of this subsection unless a certification under subsection (b) of this section is in effect.

"(b) ANNUAL CERTIFICATION.--No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance to be furnished or military equipment or technology is to be sold or transferred, that India does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that India will possess a nuclear explosive device.

"(c) FURTHER RESTRICTION ON ASSISTANCE.--Subject to subsection (d), unless a certification under subsection (b) of this section is in effect on September 30, 1992, no funds may be allocated for fiscal year 1993 for assistance to India, or for the sale or transfer of defense articles or defense services to India.

"(d) IF A CERTIFICATION MADE.-- If a certification under subsection (b) is made in a fiscal year after the prohibition in subsection (c) applies, funds for assistance, sales, or transfers described in subsection (c) may be allocated for India pursuant to the reprogramming provisions of section 6304 of this Act or pursuant

to a subsequent appropriation Act.

"(e) PRESIDENTIAL DETERMINATION AND WAIVER.--

"(1) The President may provide the assistance described in paragraph (2), notwithstanding the provisions of subsections (a), (b) and (c), if he determines that it is in the national interest of the United States to do so.

"(2) The assistance referred to in paragraph (1) includes--

"(A) assistance provided under Title I, Chapter 2 of the International Cooperation Act of 1991 (related to development assistance);

"(B) assistance provided under Title XV, Subtitle A of the Food, Agriculture, Conservation and Trade Act of 1990 (related to food assistance); and

"(C) assistance authorized under Title I, Chapter 3 of the International Cooperation Act of 1991 (related to economic support assistance) which is made available pursuant to subparagraph (A).

Chairman FASCELL. The Chair recognizes the gentleman from California for five minutes in support of his amendment.

Mr. LAGOMARSINO. Thank you, Mr. Chairman.

Mr. Chairman, it is obvious from the discussion we have just had—at least obvious to me—that the Pressler Amendment has not worked. The stick of cutting off aid has not worked. And we note that the President cannot provide the certification for Pakistan. The best route would have been to remove Pressler altogether, but we did not do that with the rejection of the Hyde Amendment.

We ought to ask ourselves, why has Pressler failed? And I think it is because it is a unilateral approach which very discriminatorily ignores the fact that nuclear proliferation is a regional problem.

I submit that Pakistan continues with its nuclear program simply because of India. There is only one state in the Asian subcontinent with a proven nuclear capability and that is India, which exploded a nuclear device in 1974. Add to that India's tremendous conventional superiority over Pakistan in many cases two to three or four to one.

India has scores of advanced Mirage 2000 and MG-29 fighters. It has two aircraft carriers, is getting nuclear submarines. And add to that the wars between India and Pakistan, in which neither side has won and the argument can be made that Pakistan was the loser each time.

Now, I wonder why the democratic government of Pakistan—and it was the democratically elected Benazir Bhutto government—that crossed our red line triggering Pressler? Why does it continue to pursue a nuclear program?

Clearly, and this was referred to in the argument over the previous amendment, national security and nationalism is overriding the desire for U.S. aid. I might note in a 1987 Washington Post article that the Chairman, Mr. Solarz, wrote where he said, and I quote, "No one knowledgeable about Pakistan thinks there is the slightest chance that Islamabad, if forced to choose between U.S. aid and moving ahead on its nuclear program, would accept safeguards in order to retain American assistance." That is still true today, maybe even more so with a democratic government.

Yet Mr. Solarz is now saying that Pressler alone will make Pakistan change its mind. Well, it has not so far.

India and Pakistan themselves consider the nuclear issue to be a regional one. They have been talking about it and so should we. And there have been some recent agreements, minor, but still agreements on not attacking each other's nuclear facilities and so on. And note the subcommittee report language commending these agreements and calling for more regional nuclear agreements.

Pressler failed because instead of focusing on the real issue of regional nuclear proliferation, it only discriminates against Pakistan and ignores India. Pakistan continues to be a close U.S. ally and we heard the details about how Pakistan furnished 10,000 troops to the Gulf, how the government did that even though there were demonstrations against it and it was unpopular with major political parties.

The democracy is certainly less violent and human rights certainly are superior to that of India and there certainly is, as we see

from the very tragic murder of Rajiv Gandhi yesterday, instability in India right now.

Okay, what does the Lagomarsino Amendment do?

It addresses the regional question by treating both India and Pakistan equally in a non-discriminatory way. It would allow the status quo on aid to remain yet treat nuclear proliferation in an equitable regional way.

The amendment would expand Pressler to include India. The same standards we apply to Pakistan we would apply to India. Therefore, it is not discriminatory. Remember that Pakistan has agreed many times to sign international safeguards on nuclear facilities if India will do the same. And it is clear, no question about it, that India has repeatedly refused to do so.

Non-proliferation is a key U.S. goal that we all share. But so, too, is poverty alleviation, democracy, anti-narcotics. Pressler kills all these purely humanitarian programs including, I might add, some programs that Mr. Solarz very wisely added to the Pakistan aid program some time ago. And all of that directly hurts the U.S. national interests and hurts the chances of positively influencing regional nuclear proliferation.

The amendment modifies Pressler to let the President waive aid restrictions on development assistance, on PL-480 food aid and ESF used under development assistance guidelines for reasons of U.S. national interests.

In both India and Pakistan, we want to influence the government, not punish the people and there is poverty and disease and hunger and illiteracy in both countries. Providing humanitarian aid should not be held hostage to the failed Pressler Amendment and I would just note—I think it was Mr. Burton who referred to this earlier—there are 3 million Afghan refugees in Pakistan right now.

My amendment would resolve the following issues:

Number one, it would resolve the discriminatory nature of Pressler. Congress would be treating the nuclear issue regionally as Pakistan and India do already. It is a regional problem started by India. This is Pakistan's biggest beef against this, that we are discriminating against them.

Secondly, it would leave it up to the administration whether or not to cut off humanitarian aid to India and Pakistan. From administration requests and letters, I would predict that India would have the full program except for IMET, because the rest of our aid to India is DA and PL-480, and Pakistan none in accordance with the President's accompanying the administration's foreign aid bill. So it does not change the status quo, though a good argument can and should be made for Pakistan getting some humanitarian aid, like child survival, a Solarz initiative, democracy building, food.

Third point—and a key one, I think—waiver provision shows that the U.S.A. recognizes that India and Pakistan have different nuclear programs and different security needs. India has exploded a device—no question about that—and is concerned about deterrence against China. We can recognize this special concern by waiving restrictions on India's aid and my amendment would accommodate the China argument.

Number four, the bottom line—why do we continue to beat up Pakistan, which might be trying to get a bomb, and ignore India which already has exploded one, and claim this is the best way to influence nuclear proliferation when it clearly is not?

And five, Mr. Chairman, my last point, it is a good middle ground. There are other amendments like Mr. Burton's that simply add India to Pressler without a waiver, meaning all aid to both is terminated if there is no certification.

Chairman FASCELL. I thank the gentleman from California. We have had ample debate on this subject but we ought to hear from the chairman of the subcommittee.

Mr. SOLARZ. Mr. Chairman, I will be very brief because I think we have a vote coming up and the issues posed by the Lagomarsino amendment are basically the same as the issues that were posed by the Hyde amendment.

The Lagomarsino amendment, by providing a Presidential waiver for the country that violates the Pressler amendment, would in effect enable the President to do himself what we have just declined to do in Congress. There can be little doubt that if the President were given the right to use the waiver, he would use the waiver. So if we were going to absolve Pakistan of its obligations under the Pressler amendment, we might as well have repealed the Pressler amendment altogether. But if we were to do that, I think a majority of the committee would believe we were pulling the rug out from under our nuclear non-proliferation policy in South Asia.

Secondly, I think it would be a mistake to add India to the list. This will accomplish nothing except to alienate India.

With respect to Pakistan, we have some leverage. If they comply with Pressler, they stand to get a quarter of a billion dollars. Our foreign aid program for India is a pittance so if we were required to cut off aid to India, they would lose very little. It is inconceivable that the adoption of this amendment will have any impact whatsoever on whatever nuclear program India may have.

And, finally, if we were to add India to the list, why not Israel? I mean, why not make it global? I suspect if we were to do that, we would find ourselves in a can of worms acting in ways which were unproductive and unhelpful in terms of U.S. policy.

So let us not make perfect the enemy of the good. We do have the capacity to influence Pakistan. We do not have the capacity to influence India. In any case, if we adopt this amendment, it means the abandonment of virtually the whole policy because by giving the President a waiver, the word will go out to Pakistan that it can continue its nuclear program and still get the benefits of American aid. That means it surely will continue its nuclear program.

So I urge the defeat of the Lagomarsino amendment.

Chairman FASCELL. I will take some time and yield to the gentleman from California, if he wants to respond.

Mr. LAGOMARSINO. I thank the gentleman. I will respond just very briefly.

I think that as we have already demonstrated that the Pressler amendment has not worked in Pakistan and once we get past September 30th it is not going to work because even if they were to do what it would take for the President to certify they were in compliance, the money is all gone. And everybody who watches the scene

around here knows that getting money that is not authorized or appropriated is going to be very, very difficult.

Mr. SOLARZ. Will the gentleman yield?

Mr. LAGOMARSINO. Sure.

Mr. SOLARZ. None of the money will have been spent by October 1st because this applies to money for the next fiscal year.

Mr. LAGOMARSINO. No, I said after October 1st.

Mr. SOLARZ. So they have until October 1st to come into compliance.

Mr. LAGOMARSINO. But I would say that one of the good things that would be done by this would be it would show the Pakistanis that we are even handed about it, that we are concerned about their concerns. So I think it would have a positive influence that way and I think that it would have some influence also on India. India would no longer be able, as I think they are able now, to think they are immune from anything we do around here that applies to Pakistan.

VOTE ON THE LAGOMARSINO AMENDMENT

Chairman FASCELL. The question is on agreeing to the Lagomarsino amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[Chorus of noes.]

Chairman FASCELL. It appears to the Chair the noes have it. The noes have it and the amendment is not agreed to.

Are there any further amendments to Title IX?

Mr. BURTON, do you have an amendment to Title IX?

Mr. BURTON. I do, Mr. Chairman.

BURTON AMENDMENT—TAIWAN'S CONTRIBUTION TO OPERATION DESERT STORM

Chairman FASCELL. The Burton amendment to Title IX.

What page are you on, Dan?

Mr. BURTON. It is page 541, after line 13.

Chairman FASCELL. Page 541, after line 13.

Mr. LAGOMARSINO. Mr. Chairman, while that amendment is being passed out, could I make a reservation for Mr. Leach on Pakistan and Cambodia, and for Mr. Chris Smith on Title IX as well?

Mr. BURTON. Mr. Chairman, would you like to defer action on this until after the vote?

Chairman FASCELL. We will stand in informal recess. We will go vote and come back and pending will be the Burton amendment.

[Recess.]

Chairman FASCELL. When we arose, we were on the Burton amendment. The clerk will report the amendment.

Mr. BRADY. Amendment offered by Mr. Burton—

Chairman FASCELL. Without objection, the amendment will be considered as read, printed in the record, and open for amendment.

[The amendment of Mr. Burton follows:]

ICA91A002

[MAY 8, 1991]
AMENDMENT TO THE COMMITTEE PRINT DATED 5/7/91
OFFERED BY MR. BURTON OF INDIANA

Page 541, after line 13, insert the following new section 906 and redesignate existing sections accordingly:

- 1 SEC. 906. TAIWAN'S CONTRIBUTIONS TO OPERATIONS DESERT SHIELD
2 AND DESERT STORM.
- 3 (a) FINDINGS.--The Congress finds that--
- 4 (1) Operation Desert Shield and Operation Desert
5 Storm are expected to cost more than \$45,000,000,000;
- 6 (2) the United States repeatedly appealed to the
7 international community to share the costs resulting from
8 Operation Desert Shield and Operation Desert Storm;
- 9 (3) Taiwan offered the United States \$100,000,000 to
10 help cover the costs resulting from Operation Desert
11 Shield;
- 12 (4) the United States rejected Taiwan's offer;
- 13 (5) Taiwan provided approximately \$30,000,000 to
14 Middle Eastern nations adversely impacted by Iraq's
15 invasion of Kuwait;
- 16 (6) Taiwan abided faithfully with the United Nations
17 sanctions against Iraq;
- 18 (7) the Peoples' Republic of China abstained from

ICA91A002

2

1 voting on United Nations Security Council Resolution 678,
2 which established January 15, 1991, as the deadline for
3 Iraq's withdrawal from Kuwait and authorized coalition
4 forces to use all means necessary to restore
5 international peace and security to the region; and "

6 (8) the Federal budget deficit for fiscal year 1991
7 will exceed \$318,000,000,000.

8 (b) POLICY DECLARATIONS.--The Congress--

9 (1) commends Taiwan for sharing in the international
10 responsibilities associated with Operation Desert Shield
11 and Operation Desert Storm; and

12 (2) calls on the President to accept future
13 contributions from Taiwan for multinational operations,
14 like Operation Desert Shield and Operation Desert Storm,
15 regardless of the positions of the People's Republic of
16 China.

Mr. BURTON. Thank you, Mr. Chairman.

My amendment commends Taiwan for offering our government \$100 million to help cover the expenses resulting from Operation Desert Shield and Operation Desert Storm.

It also calls on our government to accept future contributions from Taiwan for multinational operations like Operation Desert Storm, regardless of the viewpoints of the Peoples Republic of China.

Mr. Chairman, my amendment also commends Taiwan for providing approximately \$30 million to Middle Eastern nations adversely impacted by Iraq's invasion of Kuwait and for abiding faithfully with the United Nations' sanctions against Iraq.

Chairman FASCELL. Mr. Burton, the chairman of the subcommittee, asked me to state on the record that he supports the amendment.

Mr. BURTON. Thank you, Mr. Chairman.

VOTE ON THE BURTON AMENDMENT

Chairman FASCELL. Is there further discussion?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the Burton amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Mr. SMITH. Mr. Chairman?

Chairman FASCELL. Mr. Smith.

SMITH AMENDMENT—PRC POPULATION CONTROL PRACTICES

Mr. SMITH. I have an amendment at the desk.

Chairman FASCELL. Mr. Smith's amendment on page 562.

The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Smith.

Mr. SMITH. Mr. Chairman, I ask unanimous consent—

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full, and open for amendment and discussion.

[The amendment of Mr. Smith follows:]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR. SMITH OF NEW JERSEY

Page 562, after line 17, add the following:

(10) Undertake to prevent harassment of workers who, consistent with the United Nations World Population Plan of Action, decide freely and responsibly the number and spacing of their children, and prohibit compulsory population control activities on the premises of the industrial cooperation project.

Chairman FASCELL. The Chair recognizes Mr. Smith.

Mr. SMITH. Thank you very much, Mr. Chairman.

The amendment I am offering will further enhance Section 931 crafted by my friend Congressman John Miller regarding the participation of U.S. nationals in industrial projects in the Peoples Republic of China and Tibet.

The amendment attempts to address the potential that Americans participating in industrial cooperatives may become instruments, perhaps unwittingly, of intrusion into the lives of Chinese families. I am confident in saying that U.S. investors in such industrial cooperatives would wish to have nothing to do with the highly coercive compulsory and intrusive population control tactics currently employed by the Chinese authorities.

Mr. Chairman, as explained in the Department of State's Country Reports on Human Rights practices for 1990, most persons depend upon their work unit for employment, housing, ration coupons and, I would point out and underscore, permission to have a child.

Mr. Chairman, in Ann Scott Tyson's October 1990 article in the Christian Science Monitor, she reported that according to Beijing's regulations, couples seeking to have a baby must first get the permission of their work unit. One of the most vivid examples that I have seen and, as matter of fact it is some case work that I worked on a couple of years ago, was of a couple that was studying in the United States in 1988. The couple was told very clearly and unambiguously that they had to abort their second child. Mr. Chairman, I would also ask that my full statement be made a part of the record—

Chairman FASCELL. Without objection, so ordered.

Mr. SMITH. In the letter to Ping Hong, the Chinese student studying in the United States, from the Population Control Office in her workplace, Wafantia Bearings Company, Ping was told this, and I quote: "If we have a second child case on our birth control program at the factory, it would stop Wafantia Bearings Company from being expanded from a low level to high level facility. The effort that 20,000 employees worked hard for would become vain. The whole factory would be disqualified for any contest. The bonuses and benefits for all employees would be directly impacted. You shall be condemned by all staff and workers of the factory. We hope that you will think about this again and again, and make a decision immediately to fix your problem in any way you can. You must not delay," the letter went on to say, "Please return back to China to have the abortion immediately."

Again, this is the factory unit dictating to the couple that they cannot have that second child, and in this case the letter found its way all the way to the United States, on U.S. soil to demand that they rid themselves of that second child.

Again, this amendment—I think, I hope, and I trust will be non-controversial in this committee and I would ask that it be considered and hopefully adopted.

[The statement of Mr. Smith follows:]

STATEMENT OF THE HONORABLE CHRISTOPHER H. SMITH

AMENDMENT REGARDING USE OF CHINESE FACTORIES
IN ENFORCING COMPULSORY POPULATION CONTROL PROGRAM

Mr. Chairman, the amendment I offer will further enhance Section 931 crafted by my friend, Congressman John Miller, regarding the participation by U.S. nationals in industrial projects in the Peoples' Republic of China and Tibet. The amendment attempts to address the potential that Americans participating in industrial cooperatives may become instruments -- perhaps unwittingly -- of intrusion into the lives of Chinese families. I am confident in saying that U.S. investors in such industrial cooperatives would wish to have nothing to do with the highly coercive, compulsory and intrusive population control tactics currently used by Chinese authorities.

It might be difficult for most Americans to imagine the extent to which the work place in China -- the factories, the employers and the family planning cadres -- have played in forcing compliance with China's one child per couple policy. American workers, American trade unions, and the AFL-CIO, would never tolerate such activities on the premises of American factories and shops in which they work. I trust that American employers would likewise refuse to participate in being accomplices to such intrusive government controls. I respectfully suggest that we can accept no less in U.S.-PRC joint industrial projects.

As explained in the Department of State's Country Reports on Human Rights Practices for 1990, "most persons depend on their work unit for employment, housing, ration coupons, permission to marry or have a child, and other aspects of ordinary life." Michael Weiskopf of the Washington Post, early in 1985, exposed the scenario, explaining that "every Chinese

belongs to a 'unit' -- workplace or rural governing body -- and every unit has a birth control committee headed by party officials. ...Almost all decisions [including who can marry and who is granted permission to have children] require [the party officials'] approval."

The most bizarre and impersonal tactic -- which I am certain American workers would never tolerate -- is their tracking of the most personal aspects of one's life. As reported by Weisskopf, "Many factories around the country hang up blackboards listing each female worker's contraceptive measure and the day her period arrives. The women are required to place a check mark next to their names after menstruation begins every month. If she fails to report on schedule, her boss will be asked why. The woman is then ordered to take a pregnancy test. A positive test spells trouble for any woman who already has a child. She is urged to have an abortion, offered a cash bonus and time off from work as a reward. If she refuses, the pressure mounts."

The Washington Post's, Lena H. Sun, reported last December, that Hunan Province issued new family planning policies in July 1990. Embodied in these new regulations, the provincial authorities outlined their intention to use family planning as one of the criteria for "measur[ing] performance of all work units, down to the village level." Ms. Sun noted that "[u]nder the tightened regulations, those who leave their homes must first have family planning certificates listing the number of their children and what type of birth control they use. Once they arrive in a new place, they must present the certificates to the local neighborhood committee and to their employer, who is then responsible for supervising family planning."

In Ann Scott Tyson's October 1990, article in the Christian Science Monitor, she reported that "[a]ccording to [Beijing] regulations, couples seeking to have a baby must first gain

the permission of their work unit."

One of the most vivid examples is that of a couple studying in the U.S. in 1988 (Dr. Li Quanbang and Ms. Ping Hong). Ms. Ping was threatened by her employer in China with severe punishment if she refused to abort her second child in the U.S. before returning to her homeland. Her factory employer in China warned her that the entire factory would be punished if she insisted on having the child.

In a letter to Ping Hong from the Population Control Office of her work place, Walfantia Bearings Company, Ping who was still living in the United States was warned:

"If we have a second-child case on our birth-control program, it would stop Walfantia Bearings Co. from being expanded from low level to high level. The effort that 20,000 employees worked hard for would become vain. The whole factory would be disqualified for any contest. The bonuses and benefits for all employees would be directly impacted. From the president to the middle-level leaders and the cadres in charge of the birth-control program, all of us would be punished. The consequences are unimaginable. You shall be condemned by all staff and workers of the factory. ... We hope you think about these again and again, and make a decision immediately to fix your problem in any way you can. You must not delay! ...please return back [to China] to have an abortion immediately."

Wages are garnished by authorities in coordination with the work unit when quotas are exceeded. The Canton Municipality's Tianhe District, Dongpu Precinct birth control regulations unabashedly declare:

"If a cadre or staff member of a collective enterprise or cooperative business unit has an unauthorized second baby, the appropriate punishment will be administered by the employer.

Birth control measures must be adopted. Both the man's and woman's salary will be reduced by 40%, and all bonuses will be suspended, until the four year required waiting period is over. If the unauthorized baby is the third or subsequent child, the employment of both parents will be terminated."

Mr. Chairman, these testimonials are some of the more blatant examples of how the work place has become the proving ground for highly restrictive and intrusive family planning policies of the Chinese government. Consistent with the UNFPA's own document outlining the implementation of the World Population Plan of Action, the amendment states clearly that workers have the basic right "to decide freely and responsibly the number and spacing of their children." My amendment would add a tenth principle which would help protect American nationals investing and participating in joint ventures and other businesses in China from becoming participants of China's coercive population control policies. I believe no one would object to this separation of legitimate business investments and activities from the controversial social planning program which has become so pervasive in Chinese society.

CHINA'S INTRUSION INTO THE WORK PLACE

As explained in the Department of State's Country Reports on Human Rights Practices for 1990, "most persons depend on their work unit for employment, housing, ration coupons, permission to marry or have a child, and other aspects of ordinary life." "Because penalties for excess births can be levied against local officials and the women's work units, many individuals are personally affected [by unauthorized births], providing an additional potential source of pressure [on families]." The unit as a whole can be subjected to punishment if the work unit exceeds its population control allocation. In the case of a couple studying in the U.S. in 1988 (Dr. Li Quanbang and Ms. Ping Hong), Ms. Ping was threatened with severe punishment if she refused to abort her second child in the U.S. before returning to China. Her employer in China warned her that the entire factory would be punished if she insisted on having the child.

"Every Chinese belongs to a "unit" -- work place or rural governing body -- and every unit has a birth control committee headed by party officials. ...Almost all decisions require their [the party officials] approval -- who earns bonuses, who gets housing space, who grows cash crops, who has a chance to study, who marries and who has children."

"Many factories around the country hang up blackboards listing each female worker's contraceptive measure and the day her period arrives. The women are required to place a check mark next to their names after menstruation begins every month. If she fails to report on schedule, her boss will be asked why. The woman is then ordered to take a pregnancy test. A positive test spells trouble for any woman who already has a child. She is urged to have an abortion, offered a cash bonus and time off from work as a reward. If she refuses, the pressure mounts."

The Washington Post, Michael Weisskopf, January 7, 1985

Hunan Province issued new family planning policies in July 1990. Embodied in these new regulations, the provincial authorities outlined their intention to use family planning as one of the criteria for "measur[ing] performance of all work units, down to the village level." The "ubiquitous Communist Party-controlled work units regulate the assignment of housing, employment and schooling and are responsible for monitoring the actions of each member."

"Under the tightened regulations, those who leave their homes must first have family planning certificates listing the number of their children and what type of birth control they use. Once they arrive in a new place, they must present the certificates to the local neighborhood committee and to their employer, who is then responsible for supervising family planning."

The Washington Post, Lena H. Sun, December 28, 1990

"There are the collective punishments and rewards designed to induce the entire workforce of a factory or the whole population of a rural political unit to denounce, harass, and ostracize families who resist the [family planning] policies."

Slaughter of the Innocents, John Aird, p. 17

In a letter to Ping Hong (mentioned above) from the Population Control Office of her work place, Walfantia Bearings Company, Ping is warned:

"If we have a second-child case on our birth-control program, it would stop Walfantia Bearings Co. from being expanded from low level to high level. The effort that 20,000 employees worked hard for would become vain. The whole factory would be disqualified for any contest. The bonuses and benefits for all employees would be directly impacted. From the president to the middle-level leaders and the cadres in charge of the birth-control program, all of us would be punished. The consequences are unimaginable. You shall be condemned by all staff and workers of the factory. ... We hope you think about these again and again, and make a decision immediately to fix your problem in any way you can. You must not delay! If you really have any difficulties, please return back to have an abortion immediately."

Stamped with Seal of Population Control Office, Walfantia Bearings Co.

Chen Guohan and his wife, who lived in Zhuhai in Guangdong Province, were expecting their second child in September 1986. Attempting to hide her pregnancy from population control workers, Chen's wife stayed at home most of the time until she realized she must escape to a neighboring county to prevent a forced abortion. When Chen's factory vice-director was unsuccessful in getting him to disclose the whereabouts of his wife, the factory director offered a cash award to purchasing agents and sales representatives to make inquiries about Chen's wife in surrounding villages and towns. She was found, returned to the town and ordered to be confined without her husband to the factory dormitory. Following relentless badgering by the population control committee, "too distraught to eat and sleep, she accepted the inevitable," and submitted to the abortion.

The Washington Post, Steven W. Mosher, October 18, 1987

Bai Xianguang [whose name was changed for her protection] was forced by "authorities at her government danwei (work unit)" to abort her first child by Cesarean section [Bai was in her fifth month] because she "had conceived before the officially encouraged age of 24 and without permission from her danwei, an office under a Beijing district government."

"According to [Beijing] regulations, couples seeking to have a baby must first gain the permission of their work unit."

Christian Science Monitor, Ann Scott Tyson, October 31, 1990

Wages are garnished by authorities in coordination with the work unit when quotas are exceeded. At a construction work place in Urumqi, capital of Xinjiang, new restrictions [initiated in 1989] are enforced "through a 50% wage cut for one year, plus a 2,000 yuan (\$385) fine."

Los Angeles Times, David Holley, November 17, 1990

"If a cadre or staff member of a collective enterprise or cooperative business unit has an unauthorized second baby, the appropriate punishment will be administered by the employer. Birth control measures must be adopted. Both the man's and woman's salary will be reduced by 40%, and all bonuses will be suspended, until the four year required waiting period is over. If the unauthorized baby is the third or subsequent child, the employment of both parents will be terminated."

Canton Municipality's Tianhe District, Dongpu Precinct birth control regulations

"Some of the [district] offices stipulate that residents, cadres, employees, and workers on leave of absence without any pay must show up in person once a month, undergo an examination each quarter, and be fluoroscoped every six months."

In Xinjin County, Sichuan, "Collectives which sign contracts for outside work [for contracting labor out] must sign a family planning contract at the same time..."

Slaughter of the Innocents, John Aird, p. 48

The Guangxi provincial government warned that cadre "units that fail to fulfill their family planning tasks will not be named advanced units."

Slaughter of the Innocents, John Aird, p. 46

Chairman FASCELL. The Chair has been advised by the chairman of the subcommittee that he accepts the amendment, and I do not know of any dispute on it.

Ms. Meyers.

Ms. MEYERS. Mr. Chairman, I am certainly not disputing the amendment. In fact, I would support the amendment by Mr. Smith because I do not think any of us want harassment or any kind of compulsion when it comes to population issues.

I would say that China has a horrendous population problem and they are trying desperately to address it and I do not have any doubt that the anecdotal incidents that Mr. Smith refers to have happened. I am sure they do happen and that there probably is over-zealousness on the part of some officials who are responsible for enforcing this policy.

I hope and pray that these cases are not the rule in China, that they are the exception rather than the rule, but I will say that I do know that their population problem is enormous and that it must be very, very difficult for them to try to address it.

VOTE ON THE SMITH AMENDMENT

Chairman FASCELL. Is there further discussion on the Smith amendment?

[No response.]

If not, the question is on agreeing to the Smith amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

Now, are there any other amendments to Title IX?

Mr. Burton.

Mr. BURTON. Mr. Chairman, I do not think I will call that amendment on Pakistan at the present time.

Chairman FASCELL. All right.

RESERVATIONS TO TITLE IX

Mr. SOLARZ. Mr. Chairman.

Chairman FASCELL. Mr. Solarz.

Mr. SOLARZ. Could I ask for a reservation for a possible amendment on the provision in Title IX from Mr. Miller involving employment practices in China? I may not actually offer an amendment but I would like to keep that possibility open.

Chairman FASCELL. Okay. Well, let me say once again, we intend to finish this bill tomorrow. And that means there will be no more reservations and people who are not here to offer their amendments will lose their opportunity to do so.

Now, just to recap: I have a reservation for Mr. Miller, I have one for Mr. Leach, I have two for Mr. Leach now.

Mr. DYMALLY. Mr. Chairman.

Chairman FASCELL. Mr. Dymally.

Mr. DYMALLY. Are you making reference to just Title IX?

Chairman FASCELL. I am making reference to Title IX right now.

Mr. DYMALLY. Fine. Very well. Because there are some others— in VI and others.

TITLES I AND VI

FASCELL EN BLOC AMENDMENT

Chairman FASCELL. Yes. Let me finish Title IX. Originally I had a Kostmayer reservation. Now, do the bill clerks have anything else?

All right. Now, I have some amendments to be considered en bloc.

Chairman FASCELL. Mr. Ingram will report the amendment.

Mr. INGRAM. En bloc amendment offered by Mr. Fascell. Page 28—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and the Chair will explain it.

[The amendment of Mr. Fascell follows:]

SLS024

5/21/91

EN BLOC AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. FASCELL

Page 28, line 18, after the comma insert ``and the direct provision of rehabilitation services for victims of torture,``.

Page 45, line 4, strike ``(or`` and all that follows through ``thorities)`` on line 6.

Page 45, line 14, strike ``(or`` and all that follows through ``authorities)`` on line 16.

Page 308, line 11, after ``under`` insert ``chapter 2 of title I or``

In section 6109, as added by the amendment offered by Mr. Weiss, strike ``or section`` on line 7 of the amendment and insert ``section``; and on line 9 of the amendment insert after ``children)`` the following: `` , section 1201(d)(9) (relating to environmentally sound, sustainable resource management), or section 1201(d)(12) (relating to more efficient energy systems)``.

Chairman FASCELL. The en bloc exempts environmental and energy assistance, just as the committee has done for child survival and AIDS assistance, from restrictions in the current appropriations law.

It prohibits transfers of funds out of development assistance and adds to section 1221, on assistance for human rights and democracy, the provision of assistance for rehabilitation services for victims of torture. There are several other technical changes with regard to the housing guarantee program.

These changes should have been included in the earlier en bloc amendment. They have been agreed to by the minority and the majority. Hopefully, we have caught them all, but there could be another one before we conclude consideration of the bill.

Without objection, the amendment is agreed to.

TITLE XI

FASCELL AMENDMENT—EXTENSION OF APPOINTMENT FOR PEACE CORPS IG STAFF

The Government Operations Committee has made a bipartisan request, coming from the chairman and ranking minority member, to give the Peace Corps Inspector General authority to extend appointments of the IG staff. This has to be authorized in our legislation.

The Peace Corps has a unique personnel system under which most staff are limited to five-year assignments. The Peace Corps Director has limited authority to extend staff tours beyond the five-year limit. Although a GAO review has indicated no bias to date, there could be instances of conflict of interest in the Peace Corps Director's consideration of extension for members of the IG staff if they are engaged in investigations which the Director does not like.

This amendment gives the Inspector General of the Peace Corps authority with regard to employees under his supervision to extend their assignments by an additional year. It does not exempt IG staff from the five-year rule.

The Post Office and Civil Service Committee report they have no problem with this amendment, so it has been cleared all across the board, and as far as I can see, we have no objection here.

The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Fascell.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with and printed in the record.

[The amendment of Mr. Fascell follows:]

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(May 10, 1991)

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY Mr. Fascell

Page 612, strike lines 17 through 19 and insert the following:

1 SEC. 1103. THE PEACE CORPS.

2 (a) AUTHORIZATION OF APPROPRIATIONS.--section 3(b) of the
3 Peace Corps Act is amended to

Page 612, after line 26, insert the following:

4 (b) INSPECTOR GENERAL.--Paragraph (6) of section 7(a) of
5 the Peace Corps Act is amended by inserting after "the
6 Director of the Peace Corps" the following: "(with respect
7 to officers and employees of the Peace Corps other than
8 officers and employees under the supervision of the Inspector
9 General of the Peace Corps and the Inspector General of the
10 Peace Corps (with respect to officers and employees under the
11 supervision of the Inspector General),".

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. The question occurs on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

FASCELL EN BLOC AMENDMENT—ENVIRONMENTAL ISSUES

I have another amendment at the desk. The clerk will report this amendment.

Mr. INGRAM. Amendment offered by Mr. Fascell. Page 612, add the following after line——

Chairman FASCELL. Without objection, further reading of the en bloc environmental amendment will be dispensed with, printed in the record in full, and open for discussion.

[The amendment of Mr. Fascell follows:]

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5/22/91

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. FASCELL

Page 612, add the following after line 26:

1 SEC. 1104. ENVIRONMENTAL SECURITY AND FOREIGN POLICY.

2 (a) SHORT TITLE.--This section may be cited as the
3 "United States Environmental Security and Foreign Policy Act
4 of 1991".

5 (b) FINDINGS.--The Congress makes the following findings:

6 (1) Environmental protection must play a pivotal role
7 in United States foreign policy, especially in light of
8 rapidly increased understanding of the pervasive nature
9 of global environmental problems.

10 (2) Transnational environmental threats to the
11 economic and social well-being of individuals, nations,
12 and the global community and the means to adequately
13 address such problems are likely to pose an increasing
14 challenge in the formulation of United States foreign
15 policy, and international diplomacy on environmental
16 issues must constitute a high priority in the conduct of
17 United States foreign policy.

18 (3) If sustainable economic development is to be
19 achieved, protection of the environment, especially

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1 through prevention of environmental degradation, must be
2 a major goal of United States foreign policy.

3 (c) CONGRESSIONAL DECLARATION OF ENVIRONMENTAL SECURITY
4 AND FOREIGN POLICY.--In order to encourage the establishment
5 of global environmental security, the Congress declares the
6 following to be the policy of the United States:

7 (1) Current and potential threats to the global
8 environment shall be assessed, and appropriate measures
9 shall be taken to obtain international cooperation on
10 environmental protection.

11 (2) United States foreign policy to achieve global
12 environmental security shall be based on the following
13 fundamental principles:

14 (A) Protection of human life from the adverse
15 effects of environmental degradation.

16 (B) Protection of the atmosphere from degradation
17 or adverse changes arising from human activity.

18 (C) Protection of biological diversity.

19 (D) Protection of the world's forest cover.

20 (E) Protection of the oceans from human induced
21 pollution and from misuse of living marine resources.

22 (F) Broad-based environmentally sustainable
23 development as a basic objective of United States
24 foreign assistance.

25 (G) Integration of economic and environmental

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1 decisionmaking processes.

2 (3) In recognition of the environmental factors that
3 affect relations among countries, the President, in
4 consultation with appropriate government agencies,
5 shall--

6 (A) identify and evaluate elements of
7 environmental programs of the United States
8 Government with significant international
9 implications or applications;

10 (C) identify and evaluate international
11 environmental developments with significant
12 implications for or applications in the United
13 States; and

14 (D) initiate and participate in international
15 environmental activities directed to the
16 identification and resolution of international
17 environmental problems and issues.

18 (4) In order to implement the policies set forth in
19 this section, the Secretary of State shall have primary
20 responsibility to coordinate and oversee all major
21 environmental agreements and activities between the
22 United States and foreign countries, international
23 organizations, and commissions of which the United States
24 and one or more foreign countries are members.

25 (d) REPORT TO CONGRESS.--On May 1, 1992, and biennially

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1 thereafter, the Secretary of State shall submit a report to
 2 the Congress containing information and recommendations with
 3 respect to the following:

4 (1) Major multilateral environmental initiatives and
 5 negotiations concluded or in process, including
 6 identification of key issues and United States positions

7 (2) Bilateral agreements on the environment in
 8 effect, by issue.

9 (3) United States participation in and support of
 10 environment programs in international organizations and
 11 multilateral development banks, including policies on
 12 environment protection encouraged by the United States
 13 and actions taken with regard to the policies by such
 14 institutions.

15 (4) International cooperation activities with respect
 16 to research and monitoring of environmental and natural
 17 resource conditions, including identification of United
 18 States funding levels and in-kind participation.

19 (5) Environmental policies and activities of the
 20 United States in providing foreign assistance.

21 **SEC. 1105. UNITED STATES SUPPORT FOR UNCED.**

22 (a) **FINDINGS.**--The Congress finds that--

23 (1) the United Nations Conference on Environment and
 24 Development (hereinafter in this section referred to as
 25 "UNCED") is scheduled to meet in June 1992 in Rio de

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1 Janiero, Brazil;

2 (2) UNCED affords a major opportunity to shape
3 international environmental policy as an underpinning of
4 sustainable development for well into the next century.

5 (b) SENSE OF CONGRESS.--It is the sense of the Congress
6 that--

7 (1) The United States should genuinely seek to fully
8 integrate environmental principles and considerations
9 into all spheres of international economic activity,

10 (2) the President should fully commit to the UNCED
11 process, and accord it high-level attention and priority
12 within the executive branch;

13 (3) the United States should exercise a prominent
14 leadership role in preparations for the June 1992 meeting
15 of the UNCED;

16 (4) the United States should carefully consider what
17 it hopes to achieve through the UNCED and how United
18 States national security interests may best be advanced
19 in deliberations in that conference;

20 (5) the United States should seek ways to forge a
21 global partnership and international cooperation among
22 developing and industrialized nations on behalf of
23 environmentally sound economic development;

24 (6) the United States should actively pursue creative
25 approaches to the spectrum of UNCED issues which the

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1 conference will address, and in particular seek
2 innovative solutions to the key cross sectorial issues of
3 technology transfer and financial resources;

4 (7) the United States should consider how best to
5 strengthen international legal and institutional
6 mechanisms to effectively address the range of UNCED
7 issues beyond the 1992 Conference and into the next
8 century;

9 (8) the United States should promote broad
10 international participation in the UNCED process at all
11 levels, from grass roots to national;

12 (9) the Agency for International Development should
13 assume an appropriate role in the preparations for the
14 June 1992 meeting of the UNCED, in view of the mandate
15 and expertise of that agency regarding the twin
16 conference themes of international environment and
17 development; and

18 (10) the executive branch should consider funding for
19 appropriate activities related to the UNCED in amounts
20 which are commensurate with United States
21 responsibilities in the world, as such funds can engender
22 good will and further our national interests and
23 objectives in the UNCED process.

Chairman FASCELL. Let me say that this amendment has been fully worked out with majority and minority staff.

The interrelationship between the global environment and a variety of major economic, political and social concerns has underscored the need for the United States to develop a coherent international environmental policy.

If the United States is to sustain its credibility as a leader on environmental issues internationally, future policy will have to be based on the product of a policy process rather than clashes between agencies and strong personalities in the executive branch.

This legislation would place the primary responsibility for the coordination of international environmental policy within the office of the Secretary of State. It requires that any U.S. agency consult with the Secretary of State before it takes significant action involving environmental or natural resource issues with any foreign government or international organization.

It also sets forth several basic principles upon which to base U.S. international environmental policy. As you will note, this amendment is in consonance with the country-team concept in the field and also with fixing responsibility on the lead agency at the Washington level. If we do not do that, we will have a continuing struggle between agencies as to who is supposed to have the primary responsibility. What we do here is simply say that, when it comes to international policy, regardless of the need for technical assistance and the expertise of other agencies, that the policy decisions have to be made under the auspices of the Secretary of State.

The other amendment concerns the 1992 U.N. Conference on the Environment and Development. UNCED affords a major opportunity to shape international environmental policy as an underpinning of sustainable development for well into the next century. Not only will the conference provide an opportunity to craft a global partnership on these issues, but also to assert a U.S. leadership role in ways which further our own national security concerns. Critical interests are at stake for the United States and for the future health of the planet.

The amendment, in essence, pushes the President and the administration to accord the UNCED process a higher priority than they have to date. The United States should be at the forefront of forging international partnerships and seeking creative solutions to these issues.

The amendment also urges an increased role for AID, whose mandate and expertise make it particularly well suited to address these issues.

Finally, it urges the funding of various UNCED related activities which should further our long-term interests. What we need to do is to set this policy down so that we have adequate lead time to get ready for that conference in 1992.

That is the en bloc amendment on the environment.

Is there any further discussion or questions?

Mr. Wolpe.

Mr. WOLPE. Thank you very much, Mr. Chairman.

I recall in the last session of Congress that there was some debate over the question of appropriate jurisdictional responsibility and the lead role responsibility as between the Environmental Pro-

tection Agency and the Department of State. I do not recall the details of that, but I do remember that Mr. Dingell's committee had some concerns, we tried to work them out with him and I guess the question I am putting at this point, not having any background not anticipating this amendment being offered today, is whether that has some impact on that discussion that we were having at that point?

Chairman FASCELL. Well, what we are trying to do here is simply state that the foreign policy aspects of environmental issues shall be the responsibility of the Secretary of State. The responsibility of the Administrator of the Environmental Protection Agency overseas and how policies are implemented obviously requires coordination with the Secretary of State. It cannot be done any other way.

The gentleman is correct, your memory is accurate. We have to clarify the issue, though, because otherwise, we have two agencies thinking they have primary responsibility with respect to affairs overseas.

So what has to be done as a matter of policy is to say that when it comes to foreign policy issues, whether environmental or anything else, the primary responsibility rests with the Secretary of State. However, he has to consult with the other agencies and other secretaries.

Mr. WOLPE. The only point that I would make is that I recall some instances in the recent history where the imperatives of the State Department really ran contrary, in my view, to the sound national policy from the standpoint of environmental policy for the United States.

I am thinking, for example, of the question we got into with respect to the shipment of plutonium to Japan, where a number of folks, the Department of Defense and other agencies, were raising some serious questions about the—

Chairman FASCELL. Well, I remember that dispute very well, Mr. Wolpe, and all I can tell you is that those disputes will occur. But on any issue where you have a technical issue involving an agency of the United States overseas, the only way you can resolve these differences will be to make it clear that the primary responsibility on foreign policy rests with the Secretary of State.

On the technical policy questions, whether they are environmental, labor law or anything else, the other agencies have to be involved.

Mr. WOLPE. My only point is that in that particular instance, the State Department was so anxious not offend the other elements of our relationship with Japan that they, in my judgment, seriously compromised our proliferation concerns.

Chairman FASCELL. I remember the issue very well.

Mr. WOLPE. And I am not so sure this intuitively makes sense from the standpoint of some other broader set of policy concerns.

Chairman FASCELL. Well, we face the same problem on many issues, Mr. Wolpe. You name it—I do not care what the issue is—where you have a policy dispute involving technical matters. And it can be resolved in one of two ways. One is in the executive branch, at the President's level, through interdepartmental committees or the cabinet, or simply by persuasion. Or the Congress

gets into the act and settles the problem. You cannot do it any other way.

Mr. WOLPE. I respect that.

Chairman FASCELL. So all we are trying to do is pinpoint the lead agency here on policy. That is all.

Any further discussion on the issue?

[No response.]

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. The question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

FEIGHAN-GILMAN AMENDMENT—NARCOTICS CONTROL POLICY

Now we can turn to an amendment that crosses Titles I, II, IV and VII. Mr. Feighan and Mr. Gilman's amendment regarding international narcotics control.

Do you want to distribute those please?

And let me compliment both of you and the task force and the staff for working so diligently over the past month to get this matter resolved. I know that every detail of this amendment has not been embraced enthusiastically by the administration, but considering where we were and the problems we had, I think that you have done an excellent job here.

I felt like the program was way out of sync and I was prepared just to terminate the program. That was my feeling. That is how far afield I thought we had gotten with this program.

I am glad that you gentlemen were able to work in a bipartisan fashion to bring it back in focus. I hope that it works, it does everything that the President wants done and that we want done in this committee.

The Chief of Staff will report the amendment.

Mr. BRADY. Amendment offered en bloc by Mr. Feighan. Title I. Page 25.

Chairman FASCELL. Without objection, further reading of the Feighan-Gilman amendment will be dispensed with, printed in the record in full, and open for discussion and amendment.

[The amendment of Mr. Feighan and Mr. Gilman follows:]

ICA91A095

[May 22, 1991]

AMENDMENTS TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED EN BLOC BY MR. FEIGHAN

TITLE I:

Page 25, after line 24, insert the following new paragraph (and redesignate accordingly):

- 1 (18) Programs to increase awareness of the effects of
2 production and trafficking of illicit narcotics and to
3 reduce illicit narcotics cultivation by stimulating
4 broader development opportunities.

TITLE II:

Page 88, line 8, strike out ``and``; line 15, strike out the period and insert in lieu thereof ``; and``; and after line 15, insert the following:

- 5 ``(5) the transfer is not prohibited by section 6202
6 (relating to assistance for law enforcement forces).

Page 90, line 10, after ``(C)`` insert ``a statement of``.

Page 93, strike out line 16 and all that follows through line 24 on page 96 and insert in lieu thereof the following:

- 7 ``SEC. 2302. MODERNIZATION OF COUNTERNARCOTICS CAPABILITIES
8 OF MAJOR ILLICIT DRUG PRODUCING OR DRUG-TRANSIT

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2

1

COUNTRIES.

2

“(a) AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.--The

3

President may transfer to an eligible drug producing or

4

transit country such excess defense articles as may be

5

necessary to carry out subsection (b).

6

“(b) PURPOSE OF TRANSFERS.--Excess defense articles may

7

be transferred to an eligible drug producing or transit

8

country under subsection (a) only for the purpose of

9

encouraging military forces and law enforcement agencies of

10

that country to participate cooperatively in a comprehensive

11

national counternarcotics program, conceived and developed by

12

the government of that country, by conducting activities

13

within that country and on the high seas to prevent the

14

production, processing, trafficking, transportation, and

15

consumption of illicit narcotic or psychotropic drugs or

16

other controlled substances.

17

“(c) USES OF EXCESS DEFENSE ARTICLES.--Excess defense

18

articles may be transferred under subsection (a) to an

19

eligible drug producing or transit country only if that

20

country ensures that those excess defense articles will be

21

used primarily in support of counternarcotics activities.

22

“(d) ROLE OF THE SECRETARY OF STATE.--The Secretary of

23

State shall determine the eligibility of countries to receive

24

excess defense articles under subsection (a). In accordance

25

with section 4102 of this Act, the Secretary shall ensure

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3

1 that the transfer of excess defense articles under subsection
2 (a) is coordinated with other counternarcotics enforcement
3 programs assisted by the United States Government.

4 "(e) DOLLAR LIMITATION.--The aggregate value of excess
5 defense articles transferred under subsection (a) to an
6 eligible drug producing or transit country in a fiscal year
7 may not exceed \$10,000,000.

8 "(f) LIMITATIONS ON TRANSFERS.--The President may
9 transfer excess defense articles under this section only if--

10 "(1) they are drawn from existing stocks of the
11 Department of Defense;

12 "(2) funds available to the Department of Defense
13 for the procurement of defense equipment are not expended
14 in connection with the transfer;

15 "(3) the transfer will not have an adverse impact on
16 the military readiness of the United States; and

17 "(4) transferring the excess defense articles under
18 the authority of this section is preferable to selling
19 them, after taking into account the potential proceeds
20 from, and likelihood of, such sales, and the comparative
21 foreign policy benefits that may accrue to the United
22 States as the result of either a transfer or sale.

23 "(g) TERMS OF TRANSFERS.--Excess defense articles may be
24 transferred under this section without cost to the recipient
25 country.

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1 “(h) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DOD
2 EXPENSES.--Section 7201(d) does not apply with respect to
3 transfers of excess defense articles under this section.

4 “(1) TRANSPORTATION AND RELATED COSTS.--

5 “(1) IN GENERAL.--Except as provided in paragraph
6 (2), funds available to the Department of Defense shall
7 not be expended for crating, packing, handling, and
8 transportation of excess defense articles transferred
9 under the authority of this section.

10 “(2) EXCEPTION.--Notwithstanding section 7201(d) or
11 any other provision of law, the President may direct the
12 crating, packing, handling, and transport of excess
13 defense articles without charge to a country if--

14 “(A) that country has an agreement providing the
15 United States with base rights in that country;

16 “(B) that country is eligible for assistance
17 from the International Development Association; and

18 “(C) the excess defense articles are being
19 provided to that country under the authority of this
20 section.

21 “(j) NOTIFICATIONS TO CONGRESS.--

22 “(1) PROPOSED TRANSFERS.--The President may not
23 transfer excess defense articles under this section until
24 15 days after the President has provided notice of the
25 proposed transfer to the relevant congressional

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5

1 committees. This notification shall include--

2 (A) a discussion of the need for the transfer;

3 (B) an assessment of the impact of the transfer
4 on the military readiness of the United States; and

5 (C) a statement of the value of the excess
6 defense articles to be transferred.

7 (2) PROCEDURES APPLICABLE TO

8 NOTIFICATIONS.--Notifications pursuant to this subsection
9 shall be considered in accordance with the procedures
10 applicable to reprogramming notifications submitted to
11 the relevant congressional committees.

12 (k) DEFINITIONS.--

13 (1) ELIGIBLE DRUG PRODUCING OR TRANSIT
14 COUNTRY.--(A) For purposes of this section, the term
15 'eligible drug producing or transit country' means a
16 country--

17 (A) that is a major illicit drug producing
18 country or a major drug-transit country;

19 (B) that has a democratic government; and

20 (C) whose security forces do not engage in a
21 consistent pattern of gross violations of
22 internationally recognized human rights; and

23 (D) that is eligible to receive foreign
24 military financing assistance at the time the excess
25 defense articles are transferred.

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1 “(2) EXCESS COAST GUARD PROPERTY.--For purposes of
2 this section and sections 2304 and 2305, the term ‘excess
3 defense articles’ shall be deemed to include excess
4 property of the Coast Guard. For purposes of this
5 section, the term ‘Department of Defense’ shall be
6 deemed, with respect to such excess property, to include
7 the Coast Guard.

8 “(3) RELEVANT CONGRESSIONAL COMMITTEES.--For
9 purposes of this section, the term ‘relevant
10 congressional committees’ means the Committee on Armed
11 Services, the Committee on Foreign Affairs, and the
12 Committee on Appropriations of the House of
13 Representatives and the Committee on Armed Services, the
14 Committee on Foreign Relations, and the Committee on
15 Appropriations of the Senate.

Page 100, line 19, strike out ‘‘or’’; line 21, strike out
the period and insert in lieu thereof ‘‘; or’’; and after
line 21, insert the following:

16 “(4) contribute to cooperation between military and
17 law enforcement personnel with respect to
18 counternarcotics law enforcement efforts.

TITLE IV:

Page 223, strike out line 11 and all that follows through

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line 11 on page 224 and insert in lieu thereof the following:

1 SEC. 4201. STATEMENTS OF POLICY.

2 "(a) GENERAL STATEMENT OF POLICY.--

3 "(1) International narcotics trafficking poses an
4 unparalleled transnational threat in today's world, and
5 its suppression is among the most important foreign
6 policy objectives of the United States.

7 "(2) Under the Single Convention on Narcotic Drugs,
8 1961, and under the United Nations Convention Against
9 Illicit Traffic in Narcotic Drugs and Psychotropic
10 Substances, 1988, the parties are required to criminalize
11 certain drug-related activities, provide appropriately
12 severe penalties, and cooperate in the extradition of
13 accused offenders.

14 "(3) International narcotics control programs should
15 include, as priority goals, the suppression of the
16 illicit manufacture of and trafficking in narcotic and
17 psychotropic drugs, money laundering, and precursor
18 chemical diversion, and the progressive elimination of
19 the illicit cultivation of the crops from which narcotic
20 and psychotropic drugs are derived.

21 "(4) The international community should provide
22 assistance, where appropriate, to those producer and
23 transit countries which require assistance in discharging
24 these primary obligations.

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1 “(5) Effective international cooperation is
2 necessary to control the illicit cultivation, production,
3 and smuggling of, trafficking in, and abuse of narcotic
4 and psychotropic drugs.

Page 225, line 21, strike out “enter into agreements”
and insert in lieu thereof “conclude agreements, including
reciprocal maritime agreements,”.

Page 227, line 16, strike out “Funds” and insert in
lieu thereof “(a) PROHIBITION.--Except as provided in
subsection (b), funds”; and after line 18, insert the
following:

5 “(b) EXCEPTIONS.--Subsection (a) shall not apply with
6 respect to funds for the procurement of--
7 “(1) weapons or ammunition for the defensive arming
8 of aircraft used for narcotics-related purposes, or
9 “(2) firearms and related ammunition provided for
10 defensive purposes to employees of the Department of
11 State engaged in activities under this title,
12 if, at least 15 days before obligating those funds, the
13 President notifies the appropriate congressional committees
14 in accordance with the procedures applicable to reprogramming
15 notifications under section 6304.

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Page 227, after line 25, insert the following:

1 (b) RECORDS OF AIRCRAFT USE.--

2 "(1) REQUIREMENT TO MAINTAIN.--The President shall
3 maintain detailed records on the use of any aircraft made
4 available to a foreign country under this title,
5 including aircraft made available before the enactment of
6 this section.

7 "(2) CONGRESSIONAL ACCESS.--The President shall make
8 the records maintained pursuant to paragraph (1)
9 available to the Congress upon a request of the Chairman
10 of the Committee on Foreign Affairs of the House of
11 Representatives or the Chairman of the Committee on
12 Foreign Relations of the Senate.

Page 228, line 1, strike out "(b)" and insert in lieu thereof "(c)"; strike out lines 9 through 14; strike out line 23 and all that follows through line 9 on page 229; and page 229, line 10, strike out "4209" and insert in lieu thereof "4208".

Page 228, line 16, strike out "Any" and insert in lieu thereof "(a) IN GENERAL.--Except as provided in subsection (b), any"; and after line 22, insert the following:

13 "(b) EXCEPTIONS.--Subsection (a) shall not apply to the
14 extent that--

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1 “(1) the application of that subsection with respect
2 to particular aircraft would be contrary to the national
3 interest of the United States; and

4 “(2) the President notifies the appropriate
5 congressional committees in accordance with the
6 procedures applicable to reprogramming notifications
7 under section 6304.

8 “(c) ASSISTANCE FOR LEASING OF AIRCRAFT.--

9 “(1) USE OF FUNDS.--For purposes of satisfying the
10 requirement of subsection (a), funds made available for
11 foreign military financing assistance may be used to
12 finance the leasing of aircraft under chapter 6 of the
13 Defense Trade and Export Control Act.

14 “(2) COST OF LEASES.--Section 61(a)(3) of the
15 Defense Trade and Export Control Act shall not apply with
16 respect to leases so financed; rather the entire cost of
17 any such lease (including any renewals) shall be an
18 initial, one time payment of the amount which would be
19 the sales price for the aircraft if they were sold under
20 section 21(a)(1)(B) or section 22 of that Act (as
21 appropriate).

22 “(3) REIMBURSEMENT OF SDAF.--To the extent that
23 aircraft so leased were acquired under chapter 5 of the
24 Defense Trade and Export Control Act, funds used pursuant
25 to this subsection to finance such leases shall be

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1 credited to the Special Defense Acquisition Fund under
 2 chapter 5 of that Act (excluding the amount of funds that
 3 reflects the charges described in section 21(e)(1) of
 4 that Act). The funds described in the parenthetical
 5 clause of the preceding sentence shall be available for
 6 payments consistent with sections 37(a) and 43(b) of that
 7 Act.

Page 229, line 15, after "forces" insert "unless, at least 15 days before obligating funds for such acquisition, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 6304".

Page 231, strike out line 1 and all that follows through line 13 on page 232 (section 4303) and insert in lieu thereof the following:

8 "SEC. 4303. TRANSFER OF FUNDS WHEN COUNTRIES FAIL TO TAKE
 9 ADEQUATE STEPS TO HALT ILLICIT DRUG PRODUCTION
 10 OR TRAFFICKING.

11 "Funds allocated under the report required by section
 12 6303 for a country for economic support assistance, foreign
 13 military financing assistance, or international military
 14 education and training may be transferred to, and
 15 consolidated with, funds made available to carry out this

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1 chapter if--

2 (1) such assistance is withheld from the country
3 for which it was allocated because of the requirements of
4 section 4402 or any other provision of law requiring the
5 withholding of assistance for countries that have not
6 cooperated with the United States or otherwise taken
7 adequate steps to halt illicit drug production and
8 trafficking; and

9 (2) such funds are used for assistance for
10 countries that have taken significant steps to halt
11 illicit drug production or trafficking.

Page 232, strike out line 14 and all that follows through
line 17 on page 233 (section 4304).

Page 233, after line 17, insert the following:

12 "SEC. 4304. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED
13 ECONOMIC ASSISTANCE.

14 "Narcotics-related assistance under title I or chapter 1
15 or chapter 2 of title V may be provided notwithstanding any
16 provision of law that restricts assistance to foreign
17 countries (other than section 4402) if, at least 15 days
18 before obligating funds for such assistance, the President
19 notifies the appropriate congressional committees in
20 accordance with the procedures applicable to reprogramming

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1 notifications under section 6304.

Page 233, strike out line 20 and insert in lieu thereof the following:

2 ``SEC. 4401. REPORTING REQUIREMENTS FOR FISCAL YEARS 1992 AND
3 1993.

4 ``(a) INTERNATIONAL NARCOTICS CONTROL STRATEGY

5 REPORT.--Not later than March 1 of each year, the President
6 shall transmit to the Speaker of the House of
7 Representatives, and to the Committee on Foreign Relations of
8 the Senate, a comprehensive report with respect to all
9 countries which are members of the United Nations--

10 ``(1) on the state of international narcotics
11 production and trafficking, money-laundering, and
12 precursor chemical control; and

13 ``(2) on United States efforts to prevent--

14 ``(A) the illicit cultivation and manufacture of
15 and trafficking in narcotic and psychotropic drugs
16 and other controlled substances,

17 ``(B) the diversion of precursor chemicals, and

18 ``(C) money laundering.

19 ``(b) CONTENTS OF INTERNATIONAL NARCOTICS CONTROL

20 STRATEGY REPORT.--Each report pursuant to subsection (a)
21 shall include the following:

22 ``(1) For each country that is a member of the United

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1 Nations, a report on the matters identified in section
2 4402(b)(2).

3 (2)(A) A description of the policies adopted,
4 agreements concluded, and programs implemented by the
5 Department of State in pursuit of its delegated
6 responsibilities for international narcotics control,
7 including the status of negotiations between the United
8 States and other countries on updated extradition
9 treaties, mutual legal assistance treaties, precursor
10 chemical controls, money laundering, and agreements
11 pursuant to section 2015 of the International Narcotics
12 Act of 1986 (relating to interdiction procedures for
13 vessels of foreign registry).

14 (B) Information on multilateral and bilateral
15 strategies with respect to money laundering pursued by
16 the Department of State, the Department of Justice, the
17 Department of the Treasury, and other relevant United
18 States Government agencies, either collectively or
19 individually, to ensure the cooperation of foreign
20 governments with respect to narcotics-related money
21 laundering and to demonstrate that all United States
22 Government agencies are pursuing a common strategy with
23 respect to major money laundering countries.

24 (3) The identity of those countries which are--

25 (A) major illicit drug producing countries or

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1 major drug-transit countries as determined under
2 section 4403,

3 "(B) the significant direct or indirect sources
4 of illicit narcotics and psychotropic drugs and other
5 controlled substances significantly affecting the
6 United States,

7 "(C) significant sources of precursor chemicals
8 used in the production of illicit narcotics, or

9 "(D) major money laundering countries.

10 "(4) In addition, for each country identified
11 pursuant to paragraph (3), the following:

12 "(A) A description of the plans, programs, and
13 timetables adopted by such country, including efforts
14 to meet the objectives of the United Nations
15 Convention Against Illicit Traffic in Narcotic Drugs
16 and Psychotropic Substances, 1988, and a discussion
17 of the adequacy of the legal and law enforcement
18 measures taken and the accomplishments achieved in
19 accord with those plans.

20 "(B) Whether as a matter of government policy,
21 such country encourages or facilitates the production
22 or distribution of illegal drugs or the laundering of
23 proceeds from illegal drug transactions; and whether
24 any senior official of the government of such country
25 engages in, encourages, or facilitates the production

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1 or distribution of illegal drugs, or the laundering
2 of proceeds from illegal drug transactions.

3 (5) In addition, for each country identified
4 pursuant to paragraph (3)(A) or (3)(B), a detailed status
5 report, with such information as can be reliably
6 obtained, on the illicit narcotic or psychotropic drugs
7 or other controlled substances which are being
8 cultivated, produced, or processed in or transported
9 through such country, noting significant changes in
10 conditions, such as increases or decreases in the illicit
11 cultivation and manufacture of and traffic in such drugs
12 and substances.

13 (6) In addition, for those countries identified
14 pursuant to paragraph (3)(C)--

15 (A) which countries are parties to
16 international agreements on a method for maintaining
17 records of transactions of an established list of
18 precursor and essential chemicals;

19 (B) which countries have established a
20 procedure by which such records may be made available
21 to United States law enforcement authorities; and

22 (C) which countries have enacted national
23 chemical control legislation which would impose
24 specific recordkeeping and reporting requirements for
25 listed chemicals, establish a system of permits or

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1 declarations for imports and exports of listed
2 chemicals, and authorize government officials to
3 seize or suspend shipments of listed chemicals.

4 `` (7) In addition, for those countries identified
5 pursuant to paragraph (3)(D)--

6 `` (A) which countries have not reached agreement
7 with the United States authorities on a mechanism for
8 exchanging adequate records in connection with
9 narcotics investigations and proceedings; and

10 `` (B) which of the countries identified pursuant
11 to subparagraph (A) are negotiating in good faith
12 with the United States to establish such a record-
13 exchange mechanism, or have adopted laws or
14 regulations that ensure the availability to
15 appropriated United States Government personnel of
16 adequate records in connection with narcotics
17 investigations and proceedings.

18 `` (8) In addition, for each country identified
19 pursuant to paragraph (3)(D), findings on the country's
20 adoption of laws and regulations considered essential to
21 prevent narcotics-related money laundering. Such findings
22 shall include whether a country has--

23 (A) criminalized narcotics money laundering;

24 (B) required financial institutions to record
25 large currency transactions at thresholds appropriate

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1 to that country's economic situation;

2 (C) required financial institutions to report
3 suspicious transactions;

4 (D) established systems for identifying,
5 tracing, freezing, seizing, and forfeiting narcotics-
6 related assets;

7 (E) enacted laws for the sharing of seized
8 narcotics assets with other governments; and

9 (F) cooperated when requested with appropriate
10 law enforcement agencies of other governments
11 investigating financial crimes related to narcotics.

12 The report shall also detail instances of refusals to
13 cooperate with foreign governments, and any actions taken
14 by the United States Government to address such
15 obstacles, including the imposition of sanctions or
16 penalties.

17 (9) As used in this subsection--

18 (A) the term 'precursor chemical' has the same
19 meaning it is given in section 102 of the Controlled
20 Substances Act; and

21 (B) the term 'major money laundering country'
22 means a country whose financial institutions engage
23 in currency transactions involving significant
24 amounts of proceeds from international narcotics
25 trafficking.

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1 (c) ANNUAL REPORTS ON ASSISTANCE.--

2 (1) IN GENERAL.--At the time that the report
3 required by subsection (a) is submitted each year, the
4 Secretary of State, in consultation with appropriate
5 United States Government agencies, shall report to the
6 appropriate committees of the Congress on the assistance
7 provided or proposed to be provided by the United States
8 Government during the preceding fiscal year, the current
9 fiscal year, and the next fiscal year to support
10 international efforts to combat illicit narcotics
11 production or trafficking.

12 (2) INFORMATION TO BE INCLUDED.--Each report
13 pursuant to this subsection shall--

14 (A) specify the amount and nature of the
15 assistance provided or to be provided;

16 (B) include, for each country identified in
17 subsection (b)(3)(A), information from the Drug
18 Enforcement Administration, the Customs Service, and
19 the Coast Guard describing in detail--

20 (i) the assistance provided or to be
21 provided to such country by that agency, and

22 (ii) the assistance provided or to be
23 provided to that agency by such country,
24 with respect to narcotic control efforts during the
25 preceding fiscal year, the current fiscal year, and

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1 the next fiscal year; and

2 (C) list all transfers, which were made by the
3 United States Government during the preceding fiscal
4 year, to a foreign country for narcotics control
5 purposes of any property seized by or otherwise
6 forfeited to the United States Government in
7 connection with narcotics-related activity, including
8 an estimate of the fair market value and physical
9 condition of each item of property transferred.

10 (3) REPORTS MAY BE CLASSIFIED.--The reports
11 required by this subsection may be provided on a
12 classified basis to the extent necessary.

13 (d) EFFECTIVE DATES OF SECTIONS.--This section only
14 applies during fiscal years 1992 and 1993. Section 4401A does
15 not apply during those fiscal years.

16 SEC. 4401A. REPORTING REQUIREMENTS APPLICABLE AFTER SEPTEMBER
17 30, 1993.

Page 240, strike out line 11 and insert in lieu thereof
the following:

18 SEC. 4402. ANNUAL CERTIFICATION PROCEDURES FOR FISCAL YEARS
19 1992 AND 1993.

20 (a) WITHHOLDING OF BILATERAL ASSISTANCE AND OPPOSITION
21 TO MULTILATERAL DEVELOPMENT ASSISTANCE.--

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1 (1) BILATERAL ASSISTANCE.--

2 (A) IN GENERAL.--Fifty percent of the United
3 States assistance allocated each fiscal year in the
4 report required by section 6303 for each major
5 illicit drug producing country or major drug-transit
6 country (as determined under section 4403) shall be
7 withheld from obligation and expenditure, except as
8 provided in paragraph (2) and subsection (b).

9 (B) WAIVER.--Subparagraph (A) shall not apply
10 with respect to a country if the President determines
11 that its application to that country would be
12 contrary to the national interest of the United
13 States, except that any such determination shall not
14 take effect until at least 15 days after the
15 President submits written notification of that
16 determination to the appropriate congressional
17 committees in accordance with the procedures
18 applicable to reprogramming notifications under
19 section 6304.

20 (2) MULTILATERAL ASSISTANCE.--The Secretary of the
21 Treasury shall instruct the United States Executive
22 Director of the International Bank for Reconstruction and
23 Development, the United States Executive Director of the
24 International Development Association, the United States
25 Executive Director of the Inter-American Development

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1 thereafter, the Secretary of State shall submit a report to
 2 the Congress containing information and recommendations with
 3 respect to the following:

4 (1) Major multilateral environmental initiatives and
 5 negotiations concluded or in process, including
 6 identification of key issues and United States positions

7 (2) Bilateral agreements on the environment in
 8 effect, by issue.

9 (3) United States participation in and support of
 10 environment programs in international organizations and
 11 multilateral development banks, including policies on
 12 environment protection encouraged by the United States
 13 and actions taken with regard to the policies by such
 14 institutions.

15 (4) International cooperation activities with respect
 16 to research and monitoring of environmental and natural
 17 resource conditions, including identification of United
 18 States funding levels and in-kind participation.

19 (5) Environmental policies and activities of the
 20 United States in providing foreign assistance.

21 **SEC. 1105. UNITED STATES SUPPORT FOR UNCED.**

22 (a) **FINDINGS.**--The Congress finds that--

23 (1) the United Nations Conference on Environment and
 24 Development (hereinafter in this section referred to as
 25 "UNCED") is scheduled to meet in June 1992 in Rio de

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1 (a)(1) be provided and that the United States not
2 vote against multilateral development bank assistance
3 for that country pursuant to subsection (a)(2).

4 (2) CONSIDERATIONS REGARDING COOPERATION.--In
5 making the determination described in paragraph (1)(A),
6 the President shall consider the extent to which the
7 country has--

8 (A) met the goals and objectives of the United
9 Nations Convention Against Illicit Traffic in
10 Narcotic Drugs and Psychotropic Substances, 1988,
11 including action on such issues as illicit
12 cultivation, production, distribution, sale,
13 transport, financing, money laundering, asset
14 seizure, extradition, mutual legal assistance, law
15 enforcement and transit cooperation, precursor
16 chemicals, and demand reduction;

17 (B) accomplished the goals described in an
18 applicable bilateral narcotics agreement with the
19 United States or a multilateral agreement; and

20 (C) taken legal and law enforcement measures to
21 prevent and punish public corruption, especially by
22 senior government officials, that facilitates the
23 production, processing, or shipment of narcotic and
24 psychotropic drugs and other controlled substances,
25 or that discourages the investigation or prosecution

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1 of such acts.

2 "(3) INFORMATION TO BE INCLUDED IN NATIONAL INTEREST
3 CERTIFICATION.--If the President makes a certification
4 with respect to a country pursuant to paragraph (1)(B),
5 the President shall include in such certification--

6 "(A) a full and complete description of the
7 vital national interests placed at risk if United
8 States bilateral assistance to that country is
9 terminated pursuant to this section and multilateral
10 development bank assistance is not provided to such
11 country; and

12 "(B) a statement weighing the risk described in
13 subparagraph (A) against the risks posed to the vital
14 national interests of the United States by the
15 failure of such country to cooperate fully with the
16 United States in combating narcotics or to take
17 adequate steps to combat narcotics on its own.

18 (c) LICIT OPIUM PRODUCING COUNTRIES.--The President may
19 make a certification under subsection (b)(1)(A) with respect
20 to a major illicit drug producing country, or major
21 drug-transit country which is also a producer of licit opium,
22 only if the President determines that such country has taken
23 steps to prevent significant diversion of its licit
24 cultivation and production into the illicit market, maintains
25 production and stockpiles at levels no higher than those

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1 consistent with licit market demand, and prevents illicit
2 cultivation and production.

3 “(d) CONGRESSIONAL REVIEW.--Subsection (e) shall apply
4 if, within 30 days of continuous session (within the meaning
5 of section 601(b)(1) of the International Security Assistance
6 and Arms Export Control Act of 1976) after receipt of a
7 certification submitted under subsection (b) at the time of
8 submission of the report required by section 4401(a), the
9 Congress enacts a joint resolution disapproving the
10 determination of the President contained in such
11 certification.

12 “(e) DENIAL OF ASSISTANCE FOR COUNTRIES DECERTIFIED.--If
13 the President does not make a certification under subsection
14 (b) with respect to a country or the Congress enacts a joint
15 resolution disapproving such certification, then until such
16 time as the conditions specified in subsection (f) are
17 satisfied--

18 “(1) funds may not be obligated for United States
19 assistance for that country, and funds previously
20 obligated for United States assistance for that country
21 may not be expended for the purpose of providing
22 assistance for that country; and

23 “(2) the requirement to vote against multilateral
24 development bank assistance pursuant to subsection (a)(2)
25 shall apply with respect to that country, without regard

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1 to the date specified in that subsection.

2 `` (f) RECERTIFICATION.--Subsection (e) shall apply to a
3 country until--

4 `` (1) the President, at the time of submission of the
5 report required by section 4401(a), makes a certification
6 under subsection (b)(1)(A) or (B) with respect to that
7 country, and the Congress does not enact a joint
8 resolution under subsection (d) disapproving the
9 determination of the President contained in that
10 certification; or

11 `` (2) the President, at any other time, makes a
12 certification under subsection (b)(1)(B) with respect to
13 such country, except that this paragraph applies only
14 if--

15 `` (A) the President did not submit a
16 certification with respect to that country under
17 subsection (b)(1) at the time of submission of the
18 report required by section 4401(a), or

19 `` (B) the Congress enacted a joint resolution
20 under subsection (d) disapproving the determination
21 of the President contained in such a certification.

22 `` (g) CONGRESSIONAL REVIEW PROCEDURES.--

23 `` (1) SENATE.--Any joint resolution under this
24 section shall be considered in the Senate in accordance
25 with the provisions of section 601(b) of the

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1 International Security Assistance and Arms Export Control
2 Act of 1976:

3 "(2) HOUSE OF REPRESENTATIVES.--For the purpose of
4 expediting the consideration and enactment of joint
5 resolutions under this section, a motion to proceed to
6 the consideration of any such joint resolution after it
7 has been reported by the appropriate committee shall be
8 treated as highly privileged in the House of
9 Representatives.

10 (h) EFFECTIVE DATES OF SECTIONS.--This section only
11 applies during fiscal years 1992 and 1993. Section 4402A does
12 not apply during those fiscal years.

13 "SEC. 4402A. ANNUAL CERTIFICATION PROCEDURES AFTER SEPTEMBER
14 30, 1993.

Page 251, strike out lines 15 through 17 and insert in
lieu thereof the following:

15 "SEC. 4403. DETERMINING MAJOR DRUG-TRANSIT AND MAJOR ILLICIT
16 DRUG PRODUCING COUNTRIES FOR FISCAL YEARS 1992
17 AND 1993.

18 "(a) REPORTING OF DETERMINATIONS.--Not later than
19 October 1 of each year, the ^{President} ~~Secretary of State~~ shall notify
20 the appropriate committees of the Congress of which countries
21 have been determined to be major drug-transit countries and

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1 which countries have been determined to be major illicit drug
2 producing countries for purposes of sections 4401 and 4402.

3 "(b) EFFECTIVE DATES OF SECTIONS.--This section only
4 applies during fiscal years 1992 and 1993. Section 4403A, and
5 the definitions provided in section 7601(e)(2) and (3), do
6 not apply during those fiscal years.

7 "SEC. 4403A. DETERMINING MAJOR DRUG-TRANSIT AND MAJOR
8 ILLICIT DRUG PRODUCING COUNTRIES AFTER
9 SEPTEMBER 30, 1993.

Page 252, after line 18, insert the following:

10 "SEC. 4404. STATUTORY REFERENCES.

11 "Any reference in this or any other Act to section 4401,
12 4402, or 4403 shall, after September 30, 1993, be deemed to
13 be a reference to section 4401A, 4402A, or 4403A,
14 respectively.

Page 253, line 17, after "sea" insert "or archipelagic
waters".

Page 254, after line 2, insert the following:

15 SEC. 402. EXEMPTION OF NARCOTICS-RELATED ASSISTANCE FROM
16 PROHIBITION ON ASSISTANCE FOR LAW ENFORCEMENT
17 AGENCIES.

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1 (a) EXEMPTION.--For fiscal years 1992 and 1993, section
2 6202 of the Foreign Assistance Act of 1961 shall not apply
3 with respect to--

4 (1) transfers of excess defense articles under
5 section 2302 of that Act;

6 (2) foreign military financing assistance that is
7 provided for narcotics-related purposes; or

8 (3) international military education and training
9 that is provided narcotics-related purposes.

10 (b) NOTIFICATION TO CONGRESS.--At least 15 days before
11 any transfer under subsection (a)(1) or any obligation of
12 funds under subsection (a)(2) or (a)(3), the President shall
13 notify the appropriate congressional committees in accordance
14 with the procedures applicable to reprogramming notifications
15 under section 6304.

16 SEC. 403. EXPORT-IMPORT BANK FINANCING OF ANTINARCOTICS-
17 RELATED SALES OF DEFENSE ARTICLES OR SERVICES.

18 Section 2(b)(6)(B)(vi) of the Export-Import Bank Act of
19 1945 is amended by striking out "1992" and insert in lieu
20 thereof "1994".

TITLE VI:

Page 422, after line 14, insert the following new
subsection (a) and redesignate existings subsections (a)
through (hh) as subsections (b) through (ii), respectively:

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1 (a) 1988 DRUG ACT.--The International Narcotics Control
 2 Act of 1988 (which is title IV of the Anti-Drug Abuse Act of
 3 1988) is repealed except for sections 4001, 4306, 4308, 4309,
 4 4501, 4702, and 4804. Section 4501(b) of that Act is amended
 5 by striking out ``4601 of this title`` and inserting in lieu
 6 thereof ``4401(c) of the Foreign Assistance Act of 1961``.

TITLE VII:

Amend chapter 4 of title VII (line 10 on page 442 through
 line 3 on page 447), relating to the Andean Initiative, to
 read as follows:

CHAPTER 4--ANDEAN INITIATIVE

7 SEC. 731. ECONOMIC ASSISTANCE AND ADMINISTRATION OF JUSTICE
 8 PROGRAMS FOR ANDEAN COUNTRIES.

9 (a) AUTHORIZATION OF ASSISTANCE.--Of the aggregate
 10 amounts authorized to be appropriated for development
 11 assistance and economic support assistance, \$300,000,000 for
 12 each of the fiscal years 1992 and 1993 are authorized to be
 13 appropriated for Andean countries.

14 (b) PRIORITIES IN USE OF ASSISTANCE.--In addition to the
 15 use of funds pursuant to subsection (c), priority in the use
 16 of funds that are allocated for Bolivia and Peru under
 17 subsection (a) shall be given to support programs that focus
 18 on providing coca farmers with alternative sources of income,
 19 including the introduction of alternative crops, agricultural

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1 research and extension, the provision of credit, assistance
2 with land titles, agro-industry, micro-enterprise
3 development, and infrastructure development.

4 (c) ADMINISTRATION OF JUSTICE PROGRAMS.--

5 (1) ADDITIONAL ASSISTANCE FOR BOLIVIA, COLOMBIA, AND
6 PERU.--Of the funds appropriated for economic support
7 assistance under subsection (a), up to \$16,000,000 for
8 each fiscal year should be used to provide assistance for
9 Bolivia, Colombia, and Peru--

10 (A) pursuant to section 741 of this Act (relating
11 to assistance for law enforcement); in addition to
12 funds otherwise used for those countries under that
13 section; and

14 (B) pursuant to paragraphs (2) and (3) of this
15 subsection.

16 (2) PROTECTION AGAINST NARCO-TERRORIST
17 ATTACKS.--Funds used in accordance with paragraph (1) may
18 be used to provide to Bolivia, Colombia, and Peru,
19 notwithstanding section 6202 of the Foreign Assistance
20 Act of 1961 (relating to the prohibition on assistance to
21 law enforcement agencies), such assistance as the
22 government of that country may request to provide
23 protection against narco-terrorist attacks on judges,
24 other government officials, and members of the press.

25 (3) ASSISTANCE FOR HUMAN RIGHTS OFFICES.--Up to a

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1 total of \$1,000,000 of the funds used in accordance with
 2 paragraph (1) each fiscal year should be used to provide
 3 training, technical assistance, and equipment--

4 (A) for the Office of Special Investigations and
 5 the Special Prosecutor for Human Rights, both of
 6 which are within the Office of the Attorney General
 7 of the Government of Colombia; and

8 (B) for the Office of Human Rights in the Office
 9 of the Attorney General of the Government of Peru.

10 (4) ADDITIONALITY OF ASSISTANCE.--Funds may be used
 11 in accordance with paragraph (1) of this subsection
 12 without regard to the dollar limitation contained in
 13 section 741(g)(1) of this Act.

14 (5) PERIOD OF AVAILABILITY.--Funds allocated for use
 15 in accordance with paragraph (1) of this subsection shall
 16 remain available until expended notwithstanding any other
 17 provision of law.

18 SEC. 732. MILITARY AND LAW ENFORCEMENT ASSISTANCE FOR ANDEAN
 19 COUNTRIES.

20 (a) AUTHORIZATION OF ASSISTANCE.--Of the amounts
 21 authorized to be appropriated for foreign military financing
 22 assistance, \$118,000,000 for each of the fiscal years 1992
 23 and 1993 are authorized to be appropriated for assistance for
 24 Andean countries.

25 (b) PURPOSES OF ASSISTANCE.--Assistance under subsection

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1 (a) shall be designed to--

2 (1) enhance the ability of the government of the
3 recipient country to control illicit narcotics production
4 and trafficking;

5 (2) strengthen the bilateral ties of the United
6 States with that government by offering concrete
7 assistance in this area of great mutual concern;

8 (3) strengthen respect for internationally recognized
9 human rights and the rule of law in efforts to control
10 illicit narcotics production and trafficking; and

11 (4) assist the armed forces of the Andean countries
12 in their support roles for those countries' law
13 enforcement agencies, which are charged with the main
14 responsibility for the control of illicit narcotics
15 production and trafficking.

16 (c) CONDITIONS OF ELIGIBILITY.--Assistance may be
17 provided for an Andean country under subsection (a) only--

18 (1) so long as that country has a democratic
19 government; and

20 (2) the government of that country, including the
21 armed forces and law enforcement agencies, does not
22 engage in a consistent pattern of gross violations of
23 internationally recognized human rights.

24 (d) LAW ENFORCEMENT TRAINING AND EQUIPMENT.--Subject to
25 subsection (e), funds made available to carry out subsection

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1 (a) may be used, notwithstanding section 6202 of the Foreign
2 Assistance Act of 1961 (relating to the prohibition on
3 assistance to law enforcement agencies)--

4 (1) to provide to law enforcement units, that are
5 organized for the specific purpose of narcotics
6 enforcement, education and training in the operation and
7 maintenance of equipment used in narcotics control
8 interdiction and eradication efforts;

9 (2) for the expenses of deploying, upon the request
10 of the Government of Bolivia, the Government of Colombia,
11 or the Government of Peru, Department of Defense mobile
12 training teams in that country to conduct training in
13 military-related individual and collective skills that
14 will enhance that country's ability to conduct tactical
15 operations in narcotics interdiction; and

16 (3) for the procurement of defense articles or
17 commodities for use in narcotics control, eradication,
18 and interdiction efforts by law enforcement units that
19 are organized for the specific purpose of narcotics
20 enforcement.

21 (e) **MILITARY AND LAW ENFORCEMENT ASSISTANCE.--**

22 (1) **LIMITATIONS ON AMOUNTS.--**The aggregate amount of
23 military and law enforcement assistance provided for
24 Bolivia, Colombia, and Peru for each of the fiscal years
25 1992 and 1993 may not exceed \$250,000,000. Of that

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1 amount--

2 (A) not more than \$150,000,000 for each such
3 fiscal year may be assistance for the armed forces;
4 and

5 (B) not more than \$150,000,000 for each such
6 fiscal year may be assistance for law enforcement
7 units or agencies.

8 (2) DEFINITION OF MILITARY AND LAW ENFORCEMENT
9 ASSISTANCE.--For purposes of paragraph (1), the term
10 "amount of military and law enforcement assistance"
11 means the sum of--

12 (A) the amount obligated for foreign military
13 financing assistance;

14 (B) the amount obligated for international
15 narcotics control assistance;

16 (C) the amount obligated for international
17 military education and training;

18 (D) the value of defense articles, defense
19 services, and military education and training made
20 available under the special drawdown authority of
21 subsections (a) and (b)(1) of section 2901 of the
22 Foreign Assistance Act of 1961; and

23 (E) the value of excess defense articles made
24 available under chapter 3 of title II of the Foreign
25 Assistance Act of 1961.

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1 (f) PROHIBITION ON ASSISTANCE FOR PERU'S SINCHI

2 POLICE.--For purposes of this section, Peru's Sinchi Police
3 may not be considered to be a law enforcement unit that is
4 organized for the specific purpose of narcotics enforcement.

5 SEC. 733. GENERAL PROVISIONS RELATING TO ASSISTANCE FOR
6 ANDEAN COUNTRIES.

7 (a) PRESIDENTIAL DETERMINATION REQUIRED.--Except as
8 provided in subsection (c), assistance may be provided for an
9 Andean country pursuant to section 731(a) and section 732(a),
10 and excess defense articles may be transferred to Bolivia,
11 Colombia, or Peru in fiscal years 1992 and 1993 pursuant to
12 chapter 3 of title II of the Foreign Assistance Act of 1961,
13 only if, before any such assistance is provided or any such
14 defense articles are transferred for that fiscal year, the
15 President determines that--

16 (1) that country is implementing programs to reduce
17 the flow of cocaine to the United States in accordance
18 with a bilateral or multilateral agreement, to which the
19 United States is a party, that contains specific,
20 quantitative and qualitative, performance criteria with
21 respect to those programs;

22 (2) the armed forces and law enforcement agencies of
23 that country are not engaged in a consistent pattern of
24 gross violations of internationally recognized human
25 rights, and the government of that country has made

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1 significant progress in protecting internationally
2 recognized human rights, particularly in--

3 (A) ensuring that torture, cruel, inhuman, or
4 degrading treatment or punishment, incommunicado
5 detention or detention without charges and trial,
6 disappearances, and other flagrant denials of the
7 right to life, liberty, or security of the person,
8 are not practiced; and

9 (B) permitting an unimpeded investigation of
10 alleged violations of internationally recognized
11 human rights, including providing access to places of
12 detention, by appropriate international organizations
13 (including nongovernmental organizations such as the
14 International Committee of the Red Cross) or groups
15 acting under the authority of the United Nations or
16 the Organization of American States; and

17 (3) the government of that country has effective
18 control over police and military operations related to
19 counternarcotics and counterinsurgency activities.

20 Paragraph (2) does not apply with respect to assistance under
21 section 731(a) for programs that focus on providing coca
22 farmers with alternative sources of income, including the
23 introduction of alternative crops, agricultural research and
24 extension, the provision of credit, assistance with land
25 titles, agro-industry, micro-enterprise development, and

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1 infrastructure development.

2 (b) NOTIFICATIONS TO CONGRESS.--Except as provided in
3 subsection (c), not less than 15 days before funds are
4 obligated pursuant to section 731(a) or section 732(a), the
5 President shall transmit to the appropriate congressional
6 committees a written notification in accordance with the
7 procedures applicable to reprogrammings under section 6304 of
8 the Foreign Assistance Act of 1961. Such notification shall
9 specify--

10 (1) the country to which the assistance is to be
11 provided;

12 (2) the type and value of the assistance to be
13 provided;

14 (3) in the case of assistance provided pursuant to
15 section 3(a), the law enforcement or other units that
16 will receive the assistance; and

17 (4) an explanation of how the proposed assistance
18 will further--

19 (A) the objectives specified in subsection (a) of
20 this section, and

21 (B) in the case of assistance under section
22 732(a), the purposes specified in section 732(b).

23 (c) COORDINATION WITH INTERNATIONAL NARCOTICS CONTROL
24 ASSISTANCE PROGRAM.--Assistance authorized by section 731(a)
25 and section 732(a) shall be coordinated with international

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1 narcotics control assistance.

2 (d) **CONDITIONAL WAIVER OF BROOKE-ALEXANDER**

3 **AMENDMENT.**--For fiscal years 1992 and 1993, section 6204 of
4 the Foreign Assistance Act of 1961, and any similar provision
5 of the Foreign Operations, Export Financing, and Related
6 Programs Appropriations Act for fiscal years 1992 and 1993,
7 shall not apply with respect to narcotics-related assistance
8 for an Andean country, provided the President has made the
9 determination described in subsection (a) of this section.

Chairman FASCELL. The Chair recognizes Mr. Feighan for five minutes in support of his amendment.

Mr. FEIGHAN. Thank you very much, Mr. Chairman, and thank you for your opening remarks particularly.

As you indicated, I am offering this amendment on behalf of myself, Mr. Gilman, Mr. Goss, Mr. Payne and other members of the task force. We have worked intensively within the task force and with the administration to provide to the committee what I hope is a generally agreed upon collection of amendments to our narcotics control policy within the foreign aid bill.

The amendment attempts to streamline current law, to give the administration the flexibility that it has requested, where we think that is possible, and to retain important principles which members of this committee and Members of Congress feel very strongly about.

I might start by saying that the Executive Branch had requested us to repeal or to substantially modify virtually all of the laws that this committee has put together with respect to narcotics control for the past eight to ten years and clearly we did not accept that proposal but I think we have met the Executive Branch more than halfway and I think generally speaking while we do not have their official responses to the amendment before us, I think generally speaking they are supportive of what we are attempting to do.

The amendment contains two exceptions to provisions in current law which have been longstanding committee policy that I want to speak to.

One is the requirement for the United States to retain title to drug control aircraft and the prohibition on INM within the State Department from acquiring arms and ammunition. While we continue to believe that these provisions remain sound policy, we have granted waivers to the Administration in both instances for certain purposes.

For aircraft titling, we would allow the President to transfer title if he waives current law on the basis of national interest and gives prior notice to Congress.

We have also provided INM the authority to procure arms and ammunition only for defensive arming of drug control aircraft and for sidearms for INM personnel, which clearly they are very much in need of in certain locations.

Probably the most significant change contemplated by the amendment before us is the change in the drug certification process. The Administration asked us to virtually repeal the process. There was a great deal of bipartisan opposition to that request.

What we have done essentially is key our certification process to the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, which I think gives us a very workable standard and a standard that is embraced by nations across the globe.

In addition to that, at least for a trial period, we are modifying the specific process that the Administration goes through in terms of certification. Specifically, the State Department Narcotics Control Report would be expanded to cover every member nation of the United Nations, just as the Human Rights Report does and that is a very helpful document to the committee. Obviously, we

would not expect the same level of reporting on every country as the Human Rights Report varies itself in depth and breadth with respect to individual countries.

In addition, we would streamline the current language in the law regarding the certification and the INCSR process, giving the President the flexibility to determine which countries are included on the certification list, flexibility to waive the current 50 percent aid withholding requirement, and we would reduce the Congressional review period from 45 to 30 legislative days.

There are a number of other provisions. We have had the staff prepare a summary of the significant changes which has been distributed to members. I think it is fair to say that these changes have bipartisan support, certainly in the task force and more broadly on the committee.

I will point finally to modifications that we have made in this amendment to the Western Hemisphere subcommittee's recommendations concerning the Andean Initiative. The ceilings in current law on aid to the police and aid to the military would be reduced from the current level, their cap of \$175 million in each category, to \$150 million but retaining the overall aggregate cap of \$250 million. This is a balance which members of the task force, specifically Mr. Goss and Mr. Gilman, have at least agreed or acquiesced in and in our discussions with the State Department we have received their signing off, again, at least acquiescence in setting those particular limits.

Mr. Chairman, I want to thank particularly the members of the task force, in particular again Mr. Gilman, who has been enormously helpful, Mr. Goss, who has been a very valuable ally in this process. Thanking as well the staff, Marian Chambers, Beth Ford and the other members of the staff who have spent the past several weeks putting together a very strong and very acceptable package, and I would urge its adoption.

Thank you, Mr. Chairman.

Mr. GILMAN. Mr. Chairman.

Chairman FASCELL. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

I want to commend our task force chairman, Mr. Feighan, for his diligent work in bringing us to this point. As you have noted, Mr. Chairman, in your kind remarks with regard to our report, we had a number of problems when we first started up this path and I think we have now fashioned a workable international narcotics provision.

I also want to thank our staff, who have worked diligently on this problem and who have helped us arrive at a satisfactory solution, in addition to the work of our good colleagues on the task force, including Mr. Goss and Mrs. Meyers.

Mr. Chairman, I strongly support the substitute amendment that has now been offered by Mr. Feighan. I have been intimately involved with legislation on international narcotics issues for over a decade and I believe this package is a significant step forward in our efforts.

The amendment strikes just the right balance between granting the administration flexibility and maintaining congressional over-

sight and between streamlining congressional requirements and highlighting Members' concerns.

Chairman Feighan has done an outstanding job of shepherding this comprehensive rewrite of our narcotics control assistance legislation through the process from the initial administration request to the markup today and at each and every step, minority concerns were treated seriously and addressed substantively.

On many issues, I was reluctant to change current law for the simple reason that there are legitimate concerns behind each provision in the current law. The chairman worked long and hard to strike the right balance and achieve a consensus and the result is the bill before us today which deserves and I hope will receive the full support of every Member on this side of the aisle.

The chairman summarized the key issues in his statement on the side of granting flexibility. The substitute allows INM to procure weapons and property, grant aircraft title and provide more types of assistance in more circumstances.

On the oversight side, the bill ensures the kind of consultation that has been promised will occur through notifications on the issue of the greatest sensitivity and retains prohibitions on aid to drug traffickers and direct payments to coca farmers.

The bill also retains a number of amendments that I have authored over the years on ship boarding agreements, narcotics and development, AID and USIA counternarcotics reporting, and reducing illicit cultivation in Afghanistan.

I believe the greatest advance in this bill, which is truly historic, is the linkage of certification to a multilateral document and the geographical and topical expansion of the annual International Narcotics Control Strategy Report known as INCSR. The bill greatly streamlines that process by replacing the 15 or more issues for consideration in current law with references to the 1988 U.N. convention and to the only two issues not addressed fully in that landmark document, corruption and performance standards, in an applicable bilateral narcotics agreement.

The amendment also expands the INCSR to address every country in the world and places special emphasis on production, on transit, on money laundering and on precursor chemical diversion.

Mr. Chairman, I have long argued that the scourge of narcotics is a global problem that can only be addressed through effective international cooperation. I first coauthored the Rangel-Gilman-Hawkins amendment in 1983 which called for a U.N. report card on nations' anti-drug efforts.

The amendment before us is a logical follow-on from that approach and it recognizes the historic importance of the 1988 U.N. convention. Since virtually no country in the world is unaffected by the traffic in illicit drugs, it is reasonable for us to have information on every country in the world, just as we do in the annual human rights report.

Some may argue that the expanded INCSR reporting requirement places too heavy a burden on those who prepare the report. In response I argue that we are providing a significant increase in INM's budget in this amendment and if that is not enough to fund positions to collate reports in the field, I will be the first to fight for further increase.

Finally, on the changes made to the provisions in Title VII on the Andean Initiative, I believe we have reached an agreement that is satisfactory to all. Though this amendment departs substantially from the compromise we reached last year in the 1990 International Narcotics Control Act, by lowering the ceilings of police and military aid, I believe that we will find the overall numbers to be quite comfortable.

Mr. Chairman, I believe we have a good package before us, an excellent package, and I want to again thank Chairman Feighan and our staff for their leadership on this issue and I look forward to working to bring about enactment of this legislation.

Thank you, Mr. Chairman.

Mr. LAGOMARSINO. Mr. Chairman.

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman.

I want to join in commending Chairman Feighan and Mr. Gilman for their work on this substitute. It removes a big headache for me and I think for the Administration, especially with regard to Western Hemisphere affairs and the two gentlemen are to be commended for providing some necessary flexibility here and I commend you for it and I certainly strongly support the effort.

Chairman FASCELL. Is there further discussion?

Mr. Goss.

Mr. Goss. Mr. Chairman, I also thank you for the opportunity to comment that we had excellent leadership on this.

Chairman Feighan and our ranking member, Ben Gilman, really worked very hard, supported by knowledgeable staff which I think coupled with a spirit of how do we fix this, how do we make it work better has given us perhaps the best product that we could hope to have today.

And I point out one thing that I do not think has been mentioned yet by anybody, that we think we have a winner here.

We are dealing with the question of transit, we are dealing with the question of production, we are dealing with money laundering, we are dealing with bribery and corruption.

We have covered so many of the things where we felt not entirely comfortable in the past and the point I want to make is that we have a two-year trial period built into this thing and that makes, I think, a very strong incentive for us to do a great job and be able to report back in two years that this approach is working and that we are making progress and that all the players are satisfied and we can go forward.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Weiss follows:]

PREPARED STATEMENT OF HON. TED WEISS

Mr. Chairman, with all due respect to the distinguished Gentleman from Ohio -- who has worked so diligently to fashion a reasonable compromise with the Administration -- I must oppose his amendment.

All the members of this Committee recognize the importance of stopping the flow of drugs into this country. It is an absolutely essential foreign policy goal of the United States, and I take it with great seriousness.

I am afraid, however, that in our determination to respond to the drug trafficking problem, we are sacrificing other, equally important foreign policy goals.

The Bush Administration's determination to send millions of dollars in military aid to the Andean region, for example, is having a profoundly negative effect on our efforts to promote human rights and to instill the important concept of civilian control over the military.

The civilian leaders of these nations already govern in a very precarious relationship with powerful militaries. To the extent that the United States strengthens these military

institutions at the expense of civilian governments, we are jeopardizing the greatest strength of our policy -- the promotion of strong civilian rule.

The introduction of U.S. trainers in Peru and Bolivia, for example, has raised a storm of protest in those countries. The militaries of both nations have long histories of human rights abuses and corruption, and our involvement with them is a cause of great concern.

I recognize that all the problems of the Administration's anti-narcotics policy should not be focussed on this amendment. This is a policy which has developed over several years, and will obviously continue to be modified. But listen to some of the Administration proposals which are included in this amendment:

- * The amendment contains an authorization for \$150 million in additional aid the militaries of the Andean region. That's a 50% increase in the amount authorized by the Western Hemisphere Subcommittee, and it comes on top of the hundreds of millions of dollars in unspent military assistance from previous fiscal years. In Peru, for example, this bill authorizes a third fiscal year of military aid, even though the Administration has not spent any of the last two years' assistance.

- * This amendment also provides a blanket, worldwide waiver which would allow the Administration to use military assistance, military training funds, and excess defense articles (EDA) to assist foreign police forces. The measure authorizes \$150 million for this purpose -- an amount which also represents a 50% increase over the amount authorized by the Subcommittee. The effort to dissociate the United States from the brutality often practiced by such police forces -- a concept which took decades to establish in law -- has, over the last few years, been almost completely reversed. Although the law remains on the books, it has now become a dead letter as a result of numerous waivers. This amendment completes that process by providing a blanket, worldwide 2-year waiver for FMF, IMET, and EDA.

- * The amendment further broadens the list of countries which may receive excess defense articles (EDA) from the United States. That list will now include not only producing countries, but transit countries as well.

Mr. Chairman, the list goes on and on.

I should point out that the amendment does contain a number of important human rights provisions -- thanks mostly to the efforts of my friend Mr. Feighan. For example, the same human rights conditions which were included in the International

Narcotics Control Act of 1990 have been retained in this amendment.

On balance, however, I am convinced that the negative aspects of this amendment outweigh the positive, and thus I must oppose the amendment. I urge my colleagues to do the same.

VOTE ON THE FEIGHAN-GILMAN AMENDMENT

Chairman FASCELL. Is there further discussion?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to, and I thank you, gentlemen.

The task force has worked very diligently to bring this about and let me also thank the staff, which has had an almost thankless job in trying to get all of this put together over the last two months.

FASCELL AMENDMENT—THE CENTRAL AMERICAN JOURNALISM PROGRAM AND THE REGIONAL ADMINISTRATION OF JUSTICE PROGRAM

Chairman FASCELL. Will the clerks distribute the Fascell amendment, page 452, line 9.

The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Fascell. Page 452, after line 9, insert the following.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for discussion.

[The amendment of Mr. Fascell follows:]

[DISCUSSION DRAFT --- May 22, 1991]
AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. FASCELL

Page 452, after line 9, insert the following:

SEC. 745. THE CENTRAL AMERICAN JOURNALISM PROGRAM AND THE
REGIONAL ADMINISTRATION OF JUSTICE PROGRAM.

Of the aggregate amounts of development assistance and economic support assistance allocated for Latin America and the Caribbean, not less than \$2,800,000 for fiscal year 1992 shall be provided to the Central American Journalism Program and Regional Administration of Justice Program's Center for the Administration of Justice to support democracy building activities in the region. The funds made available pursuant to this section shall be in addition to the level of assistance provided to these programs in fiscal year 1991.

Chairman FASCELL. What this amendment does is take two programs to the full amount. One is the Regional Administration of Justice Program's Center for the Administration of Justice, and the other is the Central American Journalism Program. We think they are good programs and we want to be sure that they get full funding.

Mr. Lagomarsino.

Mr. LAGOMARSINO. Mr. Chairman, I voted for the substitute early on in this process that would eliminate most earmarks and I still think that is the way to go but I guess that you can certainly make a good argument that if you are going to have earmarks that these are two good ones to have. Certainly these two programs are, I think, essential to what we are all trying to do in the area, and that is to build democracy.

The Administration of Justice is probably the last remaining headache in many of those countries. They have had elections, they are, I think, in most cases, wedded to the proposition of going forward in a democratic way but they have real difficulties because of the outmoded and in some cases corrupt and in some cases threatened judiciary system, so I really do support your amendment.

Mr. GILMAN. Mr. Chairman.

Chairman FASCELL. Mr. Gilman.

Mr. GILMAN. I want to commend you, Mr. Chairman. You have always been in the forefront of the Central American and Caribbean problems and you are really on point here in making certain that we strengthen the judiciary system and making certain that our press is going to be free in that part of the world so it can strengthen democracy. And, for that reason, I am pleased to support the proposal.

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. I thank the gentleman for his comments.

All those in favor of the amendment signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

TITLE X

Now, we are in Title X.

Mr. Dymally.

DYMALLY EN BLOC AMENDMENT TO TITLE X

Mr. DYMALLY. Thank you, Mr. Chairman.

Chairman FASCELL. Have you got an amendment, Mr. Dymally?

Mr. DYMALLY. Yes, Mr. Chairman. A couple.

Chairman FASCELL. This is the en bloc amendment?

Mr. DYMALLY. Yes, en bloc amendment. It is at the desk, Mr. Chairman.

Chairman FASCELL. Will the clerks pass out the en bloc amendment?

Mr. Dymally, I hate to proceed without Mr. Burton here because there may have been a misunderstanding about the amendment. He did ask me whether he could take up his two amendments tomorrow and I did not know which two he was referring to, but I did say yes.

Mr. DYMALLY. One is in conflict with one Mr. Wolpe has.

Chairman FASCELL. Is the en bloc amendment agreed to?

Mr. DYMALLY. Yes. And his amendment does not affect the en bloc.

Chairman FASCELL. We can proceed with that?

Mr. DYMALLY. It does not affect this at all.

Chairman FASCELL. All right. Well, in that case, the Chair will recognize the gentleman from California with regard to the en bloc amendment.

Mr. DYMALLY. Thank you, Mr. Chairman.

Chairman FASCELL. The Clerk will report the amendment.

Mr. INGRAM. Amendment offered en bloc—

Mr. DYMALLY. Mr. Chairman, I move that the—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with and printed in the record in full.

[The amendment of Mr. Dymally follows:]

ICA91A104

[May 22, 1991]

AMENDMENTS TO TITLE X OF THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED EN BLOC BY MR. DYMALLY

(1) Page 567, strike out lines 9 through 15 and insert in lieu thereof the following:

1 (1) FUNDING.--Funds made available for assistance
2 from the Development Fund for Africa for fiscal year 1992
3 and fiscal year 1993 shall be used to assist sector
4 projects described in section 5102 of the Foreign
5 Assistance Act of 1961.

(2) Page 569, line 2, strike out "Of the amounts" and insert in lieu thereof "Funds"; line 3, strike out ", not less than \$10,000,000"; and beginning in line 4, strike out "made available" and insert in lieu thereof "used".

(3) Page 569, strike out line 14 and all that follows through line 6 on page 571 and insert in lieu thereof the following:

6 (a) STATEMENT OF THE CONGRESS.--The Congress--
7 (1) welcomes the commitment of several governments in
8 sub-Saharan Africa to move toward democracy an multiparty
9 systems of government; and
10 (2) urges the President to increase substantially

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1 assistance designed to promote the growth and development
2 of democratic institutions in Africa.

3 (b) ASSISTANCE FOR DEMOCRATIZATION.--

4 (1) EXAMPLES OF TYPES OF PROJECTS TO BE
5 SUPPORTED.--In accordance with the provisions of section
6 1221 of the Foreign Assistance Act of 1961, assistance
7 for democratization in sub-Saharan Africa may include--

Page 574, line 6, strike out (2) and insert in lieu thereof "(3)"; line 7, strike out "carrying" and all that follows through "ment" in line 9 and insert in lieu thereof the following: "undertaking democratization projects in sub-Saharan Africa, the President"

(4) Page 572, line 20, strike out "Of the amounts" and insert in lieu thereof "Funds"; and beginning in line 21, strike out ", not less than \$1,000,000".

(5) Page 574, strike out lines 14 through 17 and insert in lieu thereof the following:

8 (2) encourages the Government of Ethiopia to continue
9 the dialogue with the parties to the internal conflict in
10 pursuit of a negotiated settlement to the crisis;

~~(6) Page 575, strike out lines 1 through 4 and insert in~~

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lieu thereof the following:

1 (4) supports efforts to ensure that the people of
2 Eritrea are able to exercise political, social, and
3 cultural rights recognized under international human
4 rights law;

(7) Page 578, line 8, strike out "on extrajudicial killings," and insert in lieu thereof "of human rights violations, including".

(8) Page 583, line 13, strike out "is moving" and insert in lieu thereof "has achieved substantial progress".

(9) Page 589, strike out lines 1 through 19 and insert in lieu thereof the following:

5 (c) RESTRICTION ON ASSISTANCE TO THE GOVERNMENT.--For
6 fiscal years 1992 and 1993, foreign military financing,
7 international military education and training, and economic
8 support assistance may be provided to the Government of
9 Somalia only if the President determines and reports to the
10 appropriate congressional committees that the Government of
11 Somalia has made significant progress toward democratization
12 and respect for internationally recognized human rights.

13 (d) FOOD ASSISTANCE.--

14 (1) CONDITIONS.--In providing assistance for refugees

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1 in Somalia under the Agricultural Trade Development and
2 Assistance Act of 1954 for fiscal years 1992 and 1993,
3 the President should attempt to ensure that--

4 (A) an impartial counting of eligible
5 beneficiaries of food assistance by the United States
6 and other donors has been or is being completed;

7 (B) none of the beneficiaries belong to military
8 or paramilitary units; and

9 (C) the amount of such assistance does not
10 significantly exceed the number of beneficiaries of
11 such assistance.

12 (e) CIVIL STRIFE RELIEF.--Funds made available to carry
13 out chapter 6 of title I of the Foreign Assistance Act of
14 1961 may be used to provide assistance for civil strife
15 relief, rehabilitation, and general recovery in Somalia. Such
16 assistance shall be provided for humanitarian purposes on a
17 grant basis. In providing such assistance, priority shall be
18 given to assistance for--

19 (1) activities which maximize the use of private
20 voluntary organizations for relief, rehabilitation, and
21 recovery projects;

22 (2) activities which emphasize the health projects,
23 including efforts to rehabilitate the primary health care
24 system of Somalia;

25 (3) activities which contribute to the restoration of

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1 schools and the general education system, including
 2 efforts to support the teaching of displaced children;
 3 (4) activities which contribute to efforts by the
 4 international community to respond to Somalian relief and
 5 development needs; and
 6 (5) activities which will restore water and power
 7 services.

(10) Page 590, beginning in line 21, strike out "Of the amounts" and insert in lieu thereof "Funds"; line 23, strike out ", not less than \$20,000,000"; and line 24, strike out "available only" and insert in lieu thereof "used"

(11) Page 591, beginning in line 18, strike out "assistance from the Development Fund for Africa, functional development assistance, and"; line 24, strike out "such"; beginning in line 24, strike out "through nongovernmental organizations"; and page 592, after line 3, add the following:

8 (d) REPORT ON PROGRESS TOWARD RESPECT FOR HUMAN RIGHTS
 9 AND DEMOCRATIZATION.--Subsections (b) and (c)(1) shall cease
 10 to apply if the President determines and reports to the
 11 appropriate congressional committees that the Government of
 12 Sudan is making significant progress toward respect for

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1 internationally recognized human rights and democratization.

(12) Page 593, after line 6, insert the following new paragraph (7) and redesignate succeeding paragraphs accordingly:

2 (7) in April 1991, security forces attempted to
3 suppress political rallies in Lubumbashi and Mbuju-Mayi,
4 provoking a confrontation that led to the death and
5 injury of dozens of Zairian civilians;

Page 594, strike out lines 4 through 7 and insert in lieu thereof the following:

6 (2) urges the Government of Zaire to agree to the
7 establishment of independent international inquiries into
8 attacks on students at Lubumbashi University in May 1990,
9 and into the incidents at Lubumbashi and Mbuji-Mayi in
0 April 1991;

Page 596, strike out lines 5 through 10 and insert in lieu thereof the following:

1 for Africa and development assistance for fiscal years
2 1992 and 1993 shall not be transferred to the Government
3 of Zaire. This subsection does not prohibit
4 nongovernmental organizations from working with
5 appropriate ministries or departments of the Government

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1 of Zaire.

(13) Page 608, line 2, strike "Of the amounts" and insert "Amounts"; and on line 3, strike ", \$1,000,000"

(14) Page 612, after line 3, insert the following:

2 SEC. 1066. UNITED NATIONS EDUCATIONAL AND TRAINING PROGRAM
3 FOR SOUTHERN AFRICA.

4 Of the amounts made available for assistance from the
5 Development Fund for Africa, \$400,000 for each of the fiscal
6 years 1992 and 1993 shall be transferred to the
7 "INTERNATIONAL ORGANIZATIONS AND PROGRAMS" account under
8 chapter 4 of title I of the Foreign Assistance Act of 1961.
9 The funds so transferred shall be available only for
10 contribution to the United Nations Educational and Training
11 Program for Southern Africa, in addition to amounts otherwise
12 made available for contribution to that organization.

(15) Page 261, line 8, strike out "(2) HEALTH.--" and insert in lieu thereof the following:

13 (2) HEALTH, AND AIDS PREVENTION.--
14 (A) HEALTH.--

Page 261, after line 13, insert the following:

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1 (B) ACQUIRED IMMUNE DEFICIENCY SYNDROME
 2 (AIDS).--Preventing and controlling the spread of
 3 acquired immune deficiency syndrome (AIDS), with a
 4 special emphasis on community-based education
 5 programs focused on changing attitudes and behavior.

Page 262, strike out lines 3 through 14 and insert in lieu thereof the following:

6 `` (j) MINIMUM LEVEL OF ASSISTANCE FOR CERTAIN CRITICAL
 7 SECTORS.--The Agency for International Development should
 8 target the equivalent of the following percentages of the
 9 amount ~~estimated to be~~ appropriated for each fiscal year to
 10 carry out this chapter for the following activities:

11 `` (1) NATURAL RESOURCE BASE.--Ten percent for
 12 activities described in subsection (i)(1)(B), including
 13 identifiable components of agricultural production
 14 projects.

15 `` (2) HEALTH.--Ten percent for activities described
 16 in subsection (i)(2)(A).

17 `` (3) AIDS PREVENTION AND CONTROL.--Five percent for
 18 activities described in subsection (i)(2)(B). In
 19 determining compliance with this paragraph, funds
 20 provided through international organizations shall be

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1 excluded.

2 (4) VOLUNTARY FAMILY PLANNING SERVICES.--Ten

3 percent for activities described in subsection (1)(3).

Page 568, line 11, strike out "(a) FINDINGS.--"; and
page 569, strike out lines 1 through 11.

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(16) Page 612, insert the following after line 3:

1 SEC. 1066. PREEMPTION OF STATE AND LOCAL SANCTION MEASURES.

2 (a) PREEMPTION.--Effective upon the date of enactment of
3 this Act, any sanction imposed by any State or any
4 governmental subdivision thereof, that is directed at South
5 Africa or persons engaging in commercial or financial
6 transactions in or with South Africa, and that also applies
7 with respect to Namibia, shall be null and void to the extent
8 that such sanction applies to Namibia or persons engaging in
9 commercial or financial transactions in or with Namibia,
10 unless such application is consistent with Federal law.

11 (b) DEFINITION.--For purposes of this section, the term
12 "State" means any of the Several States, the District of
13 Columbia, any any of the territories or possessions of the
14 United States.

Chairman FASCELL. The Chair recognizes the gentleman from California in support of his amendment.

Mr. DYMALLY. Mr. Chairman, this is a series of amendments to Title X, the Africa title, which I am offering en bloc.

I believe these are relatively non-controversial since most of these amendments have been discussed with both the Administration, committee members and especially the minority.

First, the en bloc amendments delete all of the earmarks in the committee print. This was done for two reasons. One, I know the aversion to earmarking and thus I have endeavored to accommodate the desire to have a relatively clean bill, at least as far as the Africa title is concerned. Number two, I recognize that previous efforts have gone to preserving the DFA from earmarking. This is a result of the recognition that AID needs a pool of funds to respond to the varied and dynamic needs and developments in Africa.

Therefore, I am proposing elimination of all earmarks with the understanding that there will be close consultation on the part of USAID with the committee on the allocation of funds from the DFA for key programs and projects in Africa of concern to the Congress.

The other amendments which are part of this package are designed to clarify certain provisions in the title relating to specific countries. These are perfecting amendments which fine tune conditions on U.S. assistance to certain countries.

Finally, Mr. Chairman, the en bloc amendment provides for a modest transfer of funds from DFA to the international operations account to fund the U.N. Education and Training Program for South Africa.

I should point out that these amendments have the substantial support from the Africa subcommittee and have been worked out with the full committee and staff.

I need to mention one. The last en bloc amendment deals with city sanctions against Namibia. So what we have done, is to provide an amendment to prevent cities from continuing to impose sanctions against Namibia because those sanctions were tied in with South Africa.

The other amendment offered by Mr. Weiss and Mr. Burton deals with AIDS—it is not an earmark, it is a target of 10 percent.

With that, Mr. Chairman, I am prepared to answer any questions the Members may have.

Chairman FASCELL. Will the chairman yield?

Mr. DYMALLY. Yes.

Chairman FASCELL. Just to be accurate, now, on page 2—do you have your copy of the amendment?

Mr. DYMALLY. Yes.

Chairman FASCELL. Am I correct that the amendment has been corrected so that subparagraph 6 on page 2 is stricken?

Mr. DYMALLY. That is stricken, Mr. Chairman.

Chairman FASCELL. And subparagraph 4 on page 3 has been stricken.

Mr. DYMALLY. That is correct.

Chairman FASCELL. Otherwise, the amendment is as you want to offer it.

Mr. DYMALLY. That is correct.

Chairman FASCELL. Okay. Is there further discussion on this amendment?

Mr. PAYNE. Mr. Chairman?

Chairman FASCELL. Who is seeking recognition?

Mr. DYMALLY. A voice in the wilderness, Mr. Chairman.

Chairman FASCELL. Oh, I am sorry, Don.

Mr. PAYNE. That is all right. We rarely get an opportunity—

Chairman FASCELL. Mr. Payne.

Mr. PAYNE. Thank you.

I just very briefly would simply like to say that I urge support for this en bloc amendment. I would like to commend the chairman for working very diligently in working out this accord with the administration. I feel that we are on the right track and hopefully this can move through speedily and we can get on with the rest of the bill.

Thank you, Mr. Chairman.

VOTE ON THE DYMALLY AMENDMENT

Chairman FASCELL. Is there further discussion on the Dymally Amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

Mr. DYMALLY. Mr. Chairman, there is one little announcement.

I have been in consultation with Mr. Bereuter. I have suggested to him that if he withdrew his amendment and we finished the markup tomorrow, I will give him a hearing on the Africa Horn bill and he will have sufficient time to amend on the floor.

Chairman FASCELL. You mean on the Bereuter reservation?

Mr. DYMALLY. Yes.

Chairman FASCELL. All right. He is not here right now but we will be sure that that message is conveyed and I thank the gentleman from California for making that possible.

WOLPE AMENDMENT—AID TO MALAWI

We will take up one more amendment in the Africa title, Title X, and that is the Wolpe amendment on Malawi, where we understand agreement has been reached.

Is that right, Mr. Dymally?

Mr. DYMALLY. That is correct, sir.

Chairman FASCELL. Mr. Wolpe's amendment on page 584. The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Wolpe.

Mr. WOLPE. Mr. Chairman, I ask unanimous consent the amendment be considered—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for discussion.

[The amendment of Mr. Wolpe follows:]

ICA91A092

[May 17, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991
OFFERED BY MR. WOLPE

Page 584, strike out lines 4 through 25 and insert in lieu thereof the following:

1 (a) FINDINGS.--The Congress finds that--

2 (1) the Government of Malawi has provided refuge to
3 some 920,000 refugees from Mozambique despite great costs
4 to the Malawian economy, and since 1986 has generously
5 supported the work of the United Nations High
6 Commissioner on Refugees;

7 (2) President H. Kamuzu Banda has ruled Malawi since
8 1964, and his rule has been characterized by severe
9 repression and abuses of human rights, including
10 political imprisonment, torture, unfair trials, and
11 deaths in detention;

12 (3) the Government of Malawi continues to detain
13 without charge or trial a number of prominent Malawian
14 citizens because of their political views, including
15 Goodluck Mhango, Aleke Banda, Orton and Vera Chirwa, and
16 approximately 20 other prisoners;

17 (4) according to the Department of State's Country
18 Reports on Human Rights Practices for 1990, the
19 Government of Malawi restricts freedom of the press and

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1 prohibits political meetings outside the framework of the
2 ruling party; and

3 (5) the Malawi Young Pioneers are a force in the
4 suppression of freedom of expression and in the
5 intimidation of Malawian citizens, hindering prospects
6 for the democratization of the country.

Page 585 strike out line 12 and all that follows through
line 11 on page 586 and insert in lieu thereof the following:

7 (c) RESTRICTIONS ON MILITARY ASSISTANCE.--For fiscal
8 years 1992 and 1993, foreign military financing assistance
9 for Malawi--

10 (1) may not be provided for the Malawi Young
11 Pioneers; and

12 (2) may only be provided to support the Malawian
13 military's effort to secure the Nacala Railroad and for
14 military activities which assist in the Mozambique peace
15 process, including the protection of Mozambiquan
16 refugees.

Chairman FASCELL. The Chair recognizes the gentleman from Michigan in support of his amendment.

Mr. WOLPE. Thank you, Mr. Chairman.

Mr. Chairman, this is a modification of a provision that I had offered in the subcommittee and that was accepted at that point, conditioning economic and military assistance to Malawi on release of political prisoners and respect for human rights and the freedom of expression. Those I would argue are very minimal standards which should be considered in all of our foreign allocations.

Fortunately, the Malawian government does appear in recent days to be somewhat responsive to international pressure and has released a number of political prisoners.

I have had several discussions with the Administration and have decided to adjust the prohibition clause of the initial amendment to stipulate that military assistance can be provided as long as it is clear that it would be directed to the protection of the Nacala Railway line and for activities which assist the Mozambiquan peace process, including the transportation of refugees.

It also makes very clear that no American military assistance goes to the Malawi Young Pioneers and other security forces that have been in fact actively engaged in intimidation and repression.

The United States is demanding certain things of other countries within the African continent as a precondition to receiving American aid. Malawi should not be an exception. President Hastings Banda still remains in total control at a time when democratic changes are sweeping the continent of Africa and I think that we are trying to indicate both our recognition of some of the steps that have been taken recently that are pointing in the right direction but also continuing American concern with respect to the human rights situation, with respect to the lack of democracy in the country of Malawi.

VOTE ON THE WOLPE AMENDMENT

Chairman FASCELL. I understand the minority supports this amendment, as well as Mr. Dymally, the Chairman.

Is there further discussion on this amendment?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the Wolpe amendment. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

RESERVATIONS TO TITLE X

Now, the Chair has reservations on Title X and these are the last ones. They will be taken up tomorrow: the Burton amendments, the Wolpe amendment.

Now, is there a Solarz reservation?

Mr. SOLARZ. On Title X?

Chairman FASCELL. Title X.

Mr. SOLARZ. Yes.

Chairman FASCELL. So I have Burton, Wolpe and Solarz. Did somebody say Bereuter?

Mr. DYMALLY. Well, I think it would be helpful, Mr. Chairman, to just put him on in case.

Chairman FASCELL. All right. We now have Mr. Houghton.

TITLE I

Mr. HOUGHTON. Thank you, Mr. Chairman.

Chairman FASCELL. The Houghton amendment in Title I.

HOUGHTON AMENDMENT—PRIVATE SECTOR GUARANTEE PROGRAM

Mr. HOUGHTON. Mr. Chairman, this is a private sector credit program and the thrust of it really—

Chairman FASCELL. Just hold up one second. Let us have the clerk report the amendment.

Mr. INGRAM. Amendment offered by Mr. Houghton. Page 51, insert the following after line 2. Subchapter C, Private Sector Guarantee Program.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with, printed in the record in full and open for discussion and amendment.

[The amendment of Mr. Houghton follows:]

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[MAY 21, 1991]

AMENDMENT TO THE COMMITTEE PRINT
OFFERED BY MR. HOUGHTON

Page 51, insert the following after line 2:

1 " Subchapter C--Private Sector Guarantee Program

2 " SEC. 1751. PRIVATE SECTOR GUARANTEE PROGRAM.

3 " (a) FINDINGS AND POLICY.--The Congress finds and
4 declares that--

5 " (1) the development of private enterprise is a
6 vital factor in the stable growth of developing countries
7 and in the development and stability of a free, open, and
8 equitable international economic system;

9 " (2) it is, therefore, in the best interests of the
10 United States to assist the development of the private
11 sector in developing countries and to engage the United
12 States private sector in that process; and

13 " (3) the support of private enterprise is best
14 served by programs providing credit, training, and
15 technical assistance in coordination with policy reform
16 efforts.

17 " (b) ACTIVITIES WHICH MAY BE SUPPORTED.--Assistance
18 under this section may be provided in developing countries
19 only to support financially viable private sector activities

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1 which are consistent with the four basic objectives set forth
 2 in section 1102 and which meet one or more of the following
 3 criteria:

4 “(1) SMALL BUSINESS AND CAPITAL MARKETS.--The
 5 activity addresses capital and credit market
 6 imperfections and assists financial institutions in
 7 meeting the financial needs of the private sector. Such
 8 activity shall be primarily directed toward making
 9 available to small business enterprises and cooperatives
 10 necessary credit, training, and support services which
 11 are not otherwise available to them.

12 “(2) UNITED STATES BUSINESS.--The activity engages
 13 the United States private sector in projects to meet the
 14 needs of developing countries.

15 “(c) AUTHORITY.--

16 “(1) AUTHORITY.--To carry out the policy set forth
 17 in subsection (a) and the activities authorized in
 18 subsection (b), the President is authorized to issue
 19 guarantees assuring against losses incurred in connection
 20 with loans for activities that meet the requirements of
 21 subsection (b).

22 “(2) FEES.--

23 “(A) IN GENERAL.--A fee shall be charged for
 24 each guarantee issued under this section in an amount
 25 to be determined by the President. In the event that

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1 the fee to be charged for such guarantees is reduced,
2 fees to be paid under existing contracts for such
3 guarantees may be similarly reduced.

4 (B) FINANCING ACCOUNT.--All fees collected
5 under this paragraph shall be held in a financing
6 account maintained in the Treasury of the United
7 States. All funds in such account may be invested in
8 obligations of the United States. Any interest or
9 other receipts derived from such investments shall be
10 credited to such account.

11 (C) USE OF FEES.--Amounts in the financing
12 account maintained under subparagraph (B) shall be
13 available to offset the cost of guarantee obligations
14 under this section.

15 (3) FULL FAITH AND CREDIT.--All guarantees issued
16 under this section shall constitute obligations, in
17 accordance with the terms of such guarantees, of the
18 United States of America and the full faith and credit of
19 the United States of America is hereby pledged for the
20 full payment and performance of such obligations.

21 (4) TERMS AND CONDITIONS.--Unless the President
22 determines otherwise, the following shall apply:

23 (A) The aggregate amount of all guarantees that
24 are provided under this section for a project may not
25 exceed 50 percent of the total cost of the project,

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1 or \$6,000,000, whichever amount is less.

2 (B) The term of any such guarantee may not
3 exceed 10 years.

4 (C) As a condition to receiving a guarantee or
5 guarantees for loans to small business enterprises
6 and cooperatives authorized under subsection (b)(1)--

7 (i) the lender shall agree to reduce its
8 collateral requirements for loans so guaranteed,
9 to the maximum extent possible;

10 (ii) loans so guaranteed shall be to new
11 borrowers or, if to an existing customer of the
12 lender, shall be additional credit and may not be
13 solely a renewal or extension of an existing
14 loan;

15 (iii) the maximum amount of any such
16 guaranteed loan may not exceed \$325,000 for a
17 recipient that is a sole proprietor, or, if the
18 recipient is an enterprise other than a sole
19 proprietor, \$325,000 for each co-owner,
20 shareholder, partner, cooperative member, or
21 other owner of the enterprise; and

22 (iv) the administering agency shall work
23 with participating lenders to develop training
24 and technical assistance programs in cash flow
25 analysis and lending to encourage such lenders to

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1 reduce, to the maximum extent practicable, their
2 collateral requirements for loans guaranteed
3 under this subparagraph.

4 The limitation set forth in clause (iii) shall apply
5 for at least 85 percent of all individual
6 beneficiaries of loans guaranteed under this section.

7 (D) The President shall maintain an information
8 system that contains operating financial data
9 relating to loans guaranteed under this section (and
10 any subloans made from such loans), and the projects
11 for which the loans were made, that describes all
12 beneficiaries of each such project, and that tracks
13 the developmental impact of each such project,
14 including the effect on employment, the gender of the
15 loan recipients, and loan collateral practices. In
16 addition, the President shall provide to the
17 Congress, by January 31 of each year, a report that
18 describes in detail each project for which loans
19 guaranteed under this section are made, and includes
20 the information referred to in the preceding sentence
21 with respect to such project.

22 (E) Not more than 20 percent of the total
23 amount of funds loaned and contingent liabilities
24 incurred under this section may support projects in
25 any one country.

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1 “(F) In determining whether an enterprise is a
2 small business enterprise, the President shall take
3 into account the relevant definition used by the host
4 country government, the International Bank for
5 Reconstruction and Development, and other
6 international organizations.

7 “(7) ENFORCEABILITY.--Any guarantee issued under
8 this section shall be conclusive evidence that such
9 guarantee has been properly obtained, and that the
10 underlying obligation as contracted qualifies for such
11 guarantee. Except for fraud and material
12 misrepresentation for which the parties seeking payment
13 under such guarantee are responsible, such guarantee
14 shall be presumed to be valid, legal, and enforceable.

15 “(8) DENOMINATION OF LIABILITY.--The losses
16 guaranteed under this subsection may be in dollars or
17 other currencies. In the case of losses guaranteed in
18 currencies other than dollars, the guarantees issued
19 shall be subject to an overall payment limitation
20 expressed in dollars.

21 “(9) DISCHARGE OF LIABILITIES.--Any payments made to
22 discharge liabilities under guarantees issued under this
23 section shall be paid--

24 “(A) first, out of fees as provided in paragraph
25 (2); and

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1 (B) then, out of funds made available pursuant
2 to subsection (d).

3 (30) PILOT PROGRAM FOR LIMITED DIRECT LOANS.--On a
4 limited basis, the President is authorized to make direct
5 loans, and charge fees and interest therefor, to support
6 activities authorized in subsection (b), under the
7 following conditions:

8 (A) The amount of any individual direct loan
9 for a project may not exceed 50 percent of the total
10 cost of the project or \$3,000,000, whichever amount
11 is less.

12 (B) The aggregate amount of all such direct
13 loans issued in any fiscal year may not exceed
14 \$10,000,000.

15 (C) The term of any such loan shall not exceed
16 10 years.

17 (D) Notification and opportunity for
18 consultation shall be provided, at least 30 days in
19 advance of the obligation of any funds for such
20 direct loans in any fiscal year, to the Committee on
21 Foreign Affairs of the House of Representatives and
22 to the Committee on Foreign Relations of the Senate.
23 Either such committee may waive such notification and
24 opportunity for consultation with respect to that
25 committee.

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1 “(d) APPROPRIATIONS REQUIREMENT.--Direct loan
2 obligations may be entered into under this section, and
3 guarantee commitments may be issued under this section, only
4 to the extent that the budget authority for the resulting
5 additional cost (within the meaning of the Federal Credit
6 Reform Act of 1990) has been provided in advance in
7 appropriations Acts.

8 “(e) PROGRAM CEILING.--The level of activity under this
9 section may not exceed--

10 “(1) \$10,000,000 in loans in each of the fiscal
11 years 1992 and 1993; and

12 “(2) \$57,000,000 in contingent liability for
13 guarantees in fiscal year 1992 and \$75,000,000 in
14 contingent liability for guarantees in fiscal year 1993.

15 “(f) AUTHORIZATION OF APPROPRIATION.--There are
16 authorized to be appropriated to the President for each of
17 the fiscal years 1992 and 1993 \$1,500,000 for administrative
18 expenses to carry out this section.

Chairman FASCELL. Mr. Houghton is recognized in support of his amendment.

Mr. HOUGHTON. Well, Mr. Chairman, I want to thank Mr. Goss because he has been very helpful and also a bow at any time to my superior, my chairman, Mr. Gejdenson.

But very briefly, this gives access, credit, to people who could not get it under ordinary circumstances in third world countries. It is really—the thrust of it is through the guarantee program. It makes a lot of sense. I think it is money well invested, and I suggest it.

Chairman FASCELL. Mr. Gejdenson.

Mr. GEJDENSON. Let me thank my friend from New York, Mr. Houghton, and Mr. Goss both for their efforts here. Without them, this program would not have moved forward. Without them, frankly, we did not have any of the information we needed from AID.

We hope at this time, and I think my colleagues do as well, that AID understands our concerns about improving the management of this program. We hope that AID understands this program should be used for small enterprises and not for people that already get loans.

If it was not for the great work and effort of Mr. Houghton in particular with some assistance from Mr. Goss of Fisher's Island, this would not have gotten anywhere and I commend both of them.

Chairman FASCELL. Mr. Goss.

Mr. GOSS. Mr. Chairman, I am overwhelmed by those remarks and I can only tell you that it is another example of great leadership by the gentleman from Connecticut, who is at the gateway to Fisher's Island, and I thank him for his wisdom in letting us take another look at it.

VOTE ON THE HOUGHTON AMENDMENT

Chairman FASCELL. All those in favor of the amendment signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it and the amendment is agreed to.

TITLE XI

All right. Title XI.

Mr. Gilman, you have some amendments on hunger.

GILMAN EN BLOC AMENDMENT—RIGHT TO FOOD AND U.N. RESPONSE TO INTERNATIONAL DISASTERS

Mr. GILMAN. I have two amendments at the desk, Mr. Chairman.

Chairman FASCELL. Will the bill clerks distribute both amendments, please?

Chairman FASCELL. Without objection, they will be considered en bloc.

The clerk will report the amendment en bloc.

Mr. INGRAM. Amendment offered by Mr. Gilman en bloc. At the end of the bill, add the following.

Chairman FASCELL. Without objection, further reading of the en bloc amendment will be dispensed with, printed in the record in full and open for amendment.

[The amendment of Mr. Gilman follows:]

1415ANDRO

~~May 10, 1972~~AN AMENDMENT OFFERED BY *Mr. Gilman*~~TO THE AMENDMENT OFFERED BY~~*At the end of the bill, add the following:*~~On page 8, insert the following:~~

1 It is the sense of the Congress that a major effort
 2 should be made to strengthen the right to food in
 3 international law to assure the access of all persons to
 4 adequate food supplies. Toward that end, the Secretary of
 5 State, through the United States Representative to the United
 6 Nations, should propose to the United Nations General
 7 Assembly that a Declaration and a Convention concerning the
 8 right to food be adopted and submitted to the countries of
 9 the world for ratification. In the drafting of such a
 10 convention, consideration should be given to the inclusion of
 11 the following elements:

12 (1) The responsibility of every government to
 13 maintain policies aimed at providing food for its people.

14 (2) The responsibility of the international community
 15 to provide both emergency and nonemergency food
 16 assistance when appropriate.

17 (3) The responsibility of individual governments, and
 18 of armed opposition groups, to assure access of all
 19 civilians to sufficient supplies of food during time of

1415ANDRO

2

1 war, other international armed conflict, or armed
2 conflict not of an international character, to which they
3 are a party.

4 (4) Sanctions against any government or armed
5 opposition group which takes steps to deny the right to
6 food to the people of the country.

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2

1 resources to develop new procedures and coordination
2 mechanisms to become the United Nations lead agency in
3 international disaster relief matters.

4 (2) Creation of a standing interagency group,
5 consisting of all United Nations agencies involved in
6 disaster assistance, with a secretariat based in the
7 office referred to in paragraph (1).

Chairman FASCELL. The Chair recognizes the gentleman from New York in support of his amendment.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. Chairman, these amendments strengthen the right to food and reform the U.N. response to international disasters.

The right to food amendment grew out of the desire to address situations where governments or armed opposition groups use food as a weapon against civilian populations under their control. It also follows the recommendation of the U.N. Human Rights Commission that the U.N. General Assembly discuss the convention on the right to food to attempt to put an end to situations such as we have seen in the Sudan.

The amendment provides a sense of the Congress that the concept of the right of individuals to an adequate food supply should be strengthened in international law and provides that the United States representatives to the U.N. should propose that a declaration in convention concerning the right to food be adopted.

The proposed U.N. convention should consider governments' responsibilities to maintain policies aimed at providing adequate food for their people, the responsibility of the international community to provide food assistance when appropriate, the responsibility of governments and armed opposition groups to assure food supplies to civilians in times of armed conflict and, finally, sanctions against governments or armed opposition groups which deny food to the people of their country.

Mr. Chairman, the second amendment refers to the reform of the U.N. response to international disasters and this amendment is a reaction to the ad hoc process that is followed all too often in the U.N. in response to international disasters. We have seen recently in the Persian Gulf the lack of an immediate well-coordinated response mechanism by the U.N. to meet emergency needs.

This amendment provides the sense of the Congress that a major effort should be undertaken to reform and restructure the U.N. mechanism for responding to international disasters and emergencies. The amendment provides that the Secretary of State evaluate the role of the U.N. disaster relief organization in such emergencies and develop a proposal for strengthening the U.N. emergency response and that consideration should be given to the appointment of a senior U.N. representative to coordinate and establish new procedures for disaster relief and to the creation of a U.N. interagency group consisting of all U.N. agencies involved in disaster assistance.

Mr. Chairman, I would like to move the adoption of both of these amendments.

Chairman FASCELL. I want to thank the gentleman from New York. He has demonstrated a long-standing interest and considerable leadership with respect to both of these issues, and it just goes to show you, Mr. Gilman, that perseverance does pay off.

Mr. GILMAN. Yes, indeed, Mr. Chairman. I would like to note the contribution of Mr. Hall of Ohio for his contribution and for his leadership in our Select Committee on Hunger.

VOTE ON THE GILMAN AMENDMENT

Chairman FASCELL. Is there further discussion?

[No response.]

Chairman FASCELL. If not, the question is on agreeing to the amendment en bloc. All those in favor signify by saying aye.

[Chorus of ayes.]

Chairman FASCELL. All those opposed, no.

[No response.]

Chairman FASCELL. The ayes have it. The amendment is agreed to.

TITLE VII

Mr. DYMALLY. Mr. Chairman.

Chairman FASCELL. Mr. Dymally has one non-controversial amendment which we will consider and we will then adjourn until tomorrow at ten o'clock.

Mr. DYMALLY. Mr. Chairman, you said you want to adjourn at 5:30—I have 15 seconds.

Chairman FASCELL. You have 15 seconds plus.

DYMALLY AMENDMENT—AID TO SURINAME

Mr. DYMALLY. Mr. Chairman, this is a non-controversial amendment, I hope. It has been cleared with the Western Hemisphere Committee and is simply an amendment to focus attention on democracy in Suriname, with the hope that we could push the military towards a democratic society in Suriname. That is all.

And I ask for an aye vote.

It is a compromise from a major resolution I had originally.

Chairman FASCELL. The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Dymally. Page 443, after line 9, add the following new section 724. Section 724. Democracy in Suriname.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full and open for discussion and amendment.

[The amendment of Mr. Dymally follows:]

AMENDMENT OFFERED BY MR. DYMALLY

Page 443, after line 9, add the following new section 724.

"SEC. 724. DEMOCRACY IN SURINAME

"The Congress--

"(1) condemns the armed forces of Suriname for the December 1990 coup and for their historic disregard for civilian authority;

"(2) strongly urges the armed forces of Suriname to permit a peaceful transfer of power to the duly elected civilian government following the elections scheduled for May 25, 1991;

"(3) calls upon the President to withhold United States assistance until such a peaceful transfer of power has taken place, and to use such assistance to bolster civilian rule and to encourage the military to permit the civilian government to exercise genuine authority."

Chairman FASCELL. Is there any further—Mr. Goss.

Mr. Goss. Mr. Chairman, as we all know, the elections are coming up this weekend in Suriname and I want to make sure that—I had not had a chance to see this before—I want to make sure that this is constructive to that process because we are hoping for democratic elections and I am sure that this amendment has been offered in that spirit.

And I would also suggest that there has been an expression that some Members of Congress—in fact, an invitation has been offered to some Members to come down and to see the progress that is being made after these elections and I make that comment in the same spirit that I think this particular amendment is being offered, to promote democracy in the area.

If that is the case, I am very happy to stand behind it. I assume there is nothing more to this than that.

Mr. DYMALLY. No, that is all.

Chairman FASCELL. Well, paragraph 1 condemns the armed forces of Suriname for their coup and historic disregard for civilian authority—I am sure we are all in agreement with that—and urges the armed forces to permit a peaceful transfer of power to the duly elected civilian government following the election scheduled for May 25th—that is the second paragraph. So I think that is in consonance with your views, Mr. Goss.

Mr. Goss. Very much.

Chairman FASCELL. It then calls on the President to withhold assistance until we are sure that there has been a peaceful transfer of power.

Mr. Goss. I think it is worded sufficiently broadly to convey the right message. Thank you.

Mr. DYMALLY. Thank you very much.

Chairman FASCELL. Without objection, the amendment is agreed to and we will stand adjourned—

Mr. DYMALLY. One second.

Mr. Chairman, President Hamilton was born in Nevis in the West Indies and I just want to enter it in the record—committee report language.

Chairman FASCELL. Okay. You can submit the language to the staff.

[Whereupon, at 5:32 p.m., the committee was recessed, to reconvene the following day, Thursday, May 23, 1991, at 10:00 a.m.]

**AUTHORIZATION REQUEST FOR FOREIGN AS-
SISTANCE FOR FISCAL YEARS 1992-93 DATED
MAY 6, 1991**

THURSDAY, May 23, 1991

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.**

The committee met, in open markup session at 10 a.m., in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. Can we close that door back there, please. Everybody take their seats.

Everyone has been advised that today will be the final markup session. I hope everybody understands that. What we would like to do is start at the beginning, pick up all the reservations and finish this bill.

TITLE I

The Chair will start with Title I.

Title I, first reservation is Mr. Kostmayer. The clerks will distribute the Kostmayer amendment.

**KOSTMAYER AMENDMENT—DISASTER ASSISTANCE BORROWING
AUTHORITY**

Chairman FASCELL. The clerk will report the Kostmayer amendment.

Mr. KOSTMAYER I ask unanimous consent the amendment be considered as read.

Chairman FASCELL. Without objection, the further reading of the amendment is dispensed with, it will be printed in the record, and open for discussion.

[The amendment referred to follows:]

**AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991, OFFERED BY MR.
KOSTMAYER**

Page 48, at the end of line 22, insert the following:

In any fiscal year, the sum of the amount obligated under this section against appropriations for development assistance and the amount obligated under this section against appropriations for assistance from the Development Fund for Africa may not exceed 20 percent of the total amount obligated under this section.

Chairman FASCELL. The Chair recognizes the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, this is a very simple amendment, and I am going to take 30 seconds and no more to explain it. I think it is an important amendment.

Current law in the event of a disaster or emergency, such as happened in Bangladesh, allows the Administration to borrow for purposes of meeting that disaster up to \$50 million from the Development Assistance or the ESF account. They cannot borrow from the military account. That is current law.

The staff has made a very worthwhile change in the print, and they raise that amendment from \$50 million to \$100 million and allow it to be borrowed, not just from DA or ESF, but from anywhere. They widen the universe from which those funds can be borrowed.

My amendment—raised it to \$100 million and says, as a caveat, that no more than 20 percent can be taken from the DA account, no more than 20 percent can be taken from the Development Assistance account.

Chairman FASCELL. Will the gentleman yield?

Mr. KOSTMAYER. I yield to the Chairman.

FASCELL AMENDMENT TO THE KOSTMAYER AMENDMENT

Chairman FASCELL. I think this is a good amendment. Since we have three sources of funds, would the gentleman be willing to increase that to 30 percent?

Mr. KOSTMAYER. Yes, Mr. Chairman, I would be willing to raise that to no more than 30 percent.

Chairman FASCELL. In other words, make it more or less equal from the three accounts.

Mr. KOSTMAYER. That is correct. No more than 30 percent from DA in that case.

Chairman FASCELL. Is there objection?

ADMINISTRATION POSITION ON KOSTMAYER AMENDMENT

Mr. LAGOMARSINO. I have no objection to making the change, but I would ask, Mr. Chairman, if we could have the administration comment on the amendment.

Chairman FASCELL. Certainly. Is there somebody here from the administration?

Mr. PECKHAM. I am Gardner Peckham, Deputy Assistant Secretary of State for Legislative Affairs.

We would oppose the amendment very strenuously because of the fact that it is a further restriction on the flexibility of the President to draw from a variety of accounts for the purpose of responding to disasters.

Furthermore, I would like to note that military assistance, the FMF account, would in all probability be earmarked fairly extensively by the end of the process and, therefore, it might result in—if those funds were not available—putting an artificial cap on the availability of funds for the purpose of disaster assistance.

Mr. KOSTMAYER. Would the Chairman yield?

Chairman FASCELL. I yield to the gentleman.

Mr. KOSTMAYER. I think I can straighten one thing out if I can say this.

So long as, by the end of the year, no more than 30 percent from DA, you are okay. You can borrow in excess of 30 percent from any account, so long as by the end of the year, you have squared the account, if you understand what I am saying.

Mr. PECKHAM. I think I understand—

Mr. KOSTMAYER. I am undecided on fast-track, also.

Chairman FASCELL. Let me put this question to you in a different way, if I may.

If there is zero availability, for whatever reason, and you had to draw down, you could draw 50-50, 70-30, whatever, all right? As I understand it, you can do that.

Mr. PECKHAM. The way the committee print is currently drafted, we would be able to draw, notwithstanding any artificial ceilings, from a variety of accounts. This would—as I read the amendment—restrict our ability to draw from the DA assistance account and limit our options, essentially, in drawing from other accounts.

Chairman FASCELL. Yes, the amendment would limit you to 30 percent of the total appropriation, ultimately, when you balance out the account.

Mr. PECKHAM. Yes.

Mr. KOSTMAYER. At the end of the year, when you balance the account, yes.

Chairman FASCELL. You might have zero, if you get the funds. It just depends.

Anyway, we understand the objection. Is there further discussion?

VOTE ON THE KOSTMAYER AMENDMENT AS AMENDED

The question is on agreeing to the Kostmayer amendment, as amended. All in favor, say "aye."

All those opposed, "no."

The ayes appear to have it. The ayes have it. The amendment is agreed to.

Are there further reservations in Title I?

If not—

Mr. LAGOMARSINO. Mr. Chairman, I don't have a reservation, but did Mr. Houghton ever resolve his?

Chairman FASCELL. He did. That was taken care of yesterday.

Mr. LAGOMARSINO. Thank you.

Chairman FASCELL. Further amendments to Title I? If not, that concludes Title I.

TITLE II

We now go to Title II.

I have a reservation, but the paper work isn't done. It will be done shortly. Therefore, we will have to pass that.

Mr. Hyde, did you have a reservation you wanted to take up at this point?

Mr. HYDE. I withdraw my reservation.

TITLE V

Chairman FASCELL. All right. Now we go to Title V, Mr. Bereuter.

**BEREUTER EN BLOC AMENDMENT—ENTERPRISE FOR THE AMERICANS
INITIATIVE**

Mr. BEREUTER. Mr. Chairman, I have an amendment at the desk.
Chairman FASCELL. The Bereuter amendment on page 284, is that the one, Dcug?

Mr. BEREUTER. Yes, sir, it is.

Chairman FASCELL. The Bereuter amendment on page 284, please. The clerk will report the amendment.

Mr. BEREUTER. Mr. Chairman, I ask unanimous consent that the amendment be considered as read, and I be allowed to explain it.

Chairman FASCELL. Without objection, so ordered. The gentleman from Nebraska is recognized in support of his amendment.

[The amendment follows:]

ICA91A025

[May 8, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. BEREUTER

Page 284, strike out line 14 and all that follows through line 4 on page 285 and insert in lieu thereof the following:

1 (2) LIMITATIONS.--

2 (A) FEDERAL CREDIT REFORM ACT REQUIREMENTS.--The
3 authority of this section may be exercised only to
4 the extent that the budget authority for the
5 resulting additional cost (within the meaning of the
6 Federal Credit Reform Act of 1990) has been provided
7 in advance in appropriations Acts.

8 (B) LIMITATION OF AUTHORIZATION
9 AMOUNTS.--Notwithstanding section 505(a) of the
10 Federal Credit Reform Act of 1990, the following
11 amounts only are authorized to be appropriated for
12 such costs for fiscal years 1992 and 1993:
13 \$285,000,000 for fiscal year 1992 and \$182,000,000
14 for fiscal year 1993.

ICA91A100

[May 21, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. BERLETER

Page 294, line 14, insert "AND CONSULTATIONS WITH"
after "TO".

Page 294, line 15, insert "(a) ANNUAL REPORT.--" before
"Not".

Page 294, insert the following after line 19:

- 1 "(b) CONSULTATIONS.--The President shall consult with
- 2 the appropriate congressional committees on a periodic basis
- 3 to review the operation of the Facility and the eligibility
- 4 of countries for benefits under the Facility.

Mr. BEREUTER. Thank you, Mr. Chairman.

Mr. Chairman and Members, as you know, the Enterprise of the Americas initiative is an ambitious proposal to encourage improvements in the lives and environments of people of Latin America through market-oriented reforms, investment reforms, and debt reduction. This is a concept that originated in the Congress with the leadership from this committee and Chairman Fασcell, and this committee has been instrumental in crafting this initiative.

It is a proposal that has bipartisan support, and it is a proposal that the Administration strongly supports, albeit with certain reservations in the way it is currently drafted.

My amendment deals with the length of authorization. It is a matter of particular concern to the Administration. This amendment would increase the authorization period from two to four years. I would like to read a portion of a letter from Treasury Secretary Brady, which he sent to the Ranking Republican, who then sent it to this Member and, also, to the Chairman.

I read as follows, "We believe that quick passage of such legislation is vital. We believe, however, that limiting to two years our authority to reduce foreign assistance debt would seriously undermine the perceived commitment of the United States to this program. It would send the wrong signal to Latin America and the Caribbean about our willingness to implement the initiative and build a lasting partnership.

"The amendment proposed by the International Economic Policy and Trade Subcommittee would require that separate authorizing legislation be passed by Congress to permit reduction of AID debt in fiscal year 1994 and beyond. This circumstance would create uncertainties and disincentives for those countries that may not have their economic reform programs implemented until after fiscal year 1993 and could, therefore, discourage some countries from even commencing their reform programs."

I think this is a very important and convincing point. We are asking these countries to make serious macro economic reforms, and we need to demonstrate the four-year authorization commitment of it. If we do not, we will leave them wondering whether we will extend the authorization.

I have talked to the Chairman of the IEPT Subcommittee, Mr. Gejdenson. I understand, I appreciate, and I agree with him on the desire to retain oversight jurisdiction on this program. It is a sense that I and Mr. Gejdenson share those concerns. We desire the success of the Enterprise of the Americas programs.

But I also share the administration's concern is about the length of the authorization, the two-year cap. These are massive reforms we are asking the nations of Latin America to undertake, reforms that they will not be willing to undertake for a program that may last only two years.

Moreover, there are potential participants that could not possibly complete the necessary economic reform measures by the end of fiscal year 1993. I am concerned that those programs and those nations not be unintentionally discouraged from participating.

Mr. Chairman, I admit to a difficulty in the bill drafting office. It was my desire to put in a consultation amendment. Mr. Chairman, if I may be allowed to offer another amendment as a perfecting

amendment, or we will consider them en bloc, it has a consultation subparagraph in it.

I ask unanimous consent to have that distributed.

Chairman FASCELL. It is already before the Members. Without objection, they will be considered en bloc.

Chairman FASCELL. Is there further discussion on the en bloc amendments?

Mr. GEJDENSON. Mr. Chairman.

Chairman FASCELL. Mr. Gejdenson.

Mr. GEJDENSON. Mr. Chairman, I would like to commend Mr. Bereuter. As always, his tenacity and ability and effort have brought much to the debate.

We still obviously have concerns about the relationship between the Appropriations Committee and this committee, but Mr. Bereuter's commitment and effort are well appreciated, and also his efforts have improved the product. We applaud his actions.

Chairman FASCELL. Let the Chair state that oversight is important, and I agree with the arguments that have been made about the full term of authorization of the program, because of the long lead time involved for the countries that are going to participate. But oversight will be essential as far as the subcommittee is concerned.

Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman.

I want to very briefly rise in support of the amendments. I think they make a lot of sense and will encourage countries to become involved, who otherwise might say, gee, two years is not enough time to get involved.

VOTE ON THE BEREUTER AMENDMENT

Chairman FASCELL. Is there further discussion on the Bereuter en bloc amendment? If not, the question is on agreeing to the amendment.

Those in favor, signify by saying aye. All those opposed, no. The ayes have it. The amendment is agreed to.

I have no other reservations, then. That completes consideration of Title V, assuming Mr. Hyde does not plan to offer an amendment.

Mr. HYDE. Mr. Chairman, that was the Pakistan amendment that went from title V to title IX. We disposed of that already.

Chairman FASCELL. Thank you.

Now we are on Title VI.

JAMAICAN DEBT RELIEF

Mr. DYMALLY. Just one comment, not an amendment.

Mr. Chairman, it was my intention to offer an amendment on Jamaica's debt relief problem. After consulting with you, I plan to introduce some language in the committee report calling on the Treasury to reexamine their debt payment schedule.

What Jamaica would like to get is a moratorium of one year, so that can keep holding on to \$50 million for a year to put it back on track.

Chairman FASCELL. I am not sure, but it seems to me Treasury just completed an agreement with Jamaica on rescheduling debt.

Mr. DYMALLY. It is not completed yet. I think they are still negotiating.

Chairman FASCELL. My recollection is the agreement on the rescheduling of the Jamaica debt has been completed, but we will check it and work with you.

Mr. DYMALLY. Thank you.

TITLE VI

Chairman FASCELL. We are on Title VI now. Are there any reservations? We have the redraft of the Kostmayer amendment.

KOSTMAYER AMENDMENT—PROHIBITION ON ASSISTANCE TO COUNTRIES WHICH SELL ARMS TO STATES SUPPORTING TERRORISM

Mr. KOSTMAYER. Yes, sir, the Kostmayer amendment.

Chairman FASCELL. Will the clerks distribute the amendment.

This is a redraft, is it?

Mr. KOSTMAYER. Yes.

Chairman FASCELL. The Clerk will report the amendment.

Mr. KOSTMAYER. I ask unanimous consent the amendment be considered as read and printed in the record.

Chairman FASCELL. Without objection, so ordered.

[The amendment referred to follows:]

AMENDMENT TO COMMITTEE PRINT DATED 5/6/91

OFFERED BY MR. KOSTMAYER

On page 320, after line 14, insert the following new paragraph:

"(7) COUNTRIES THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM. -- A country which provides lethal military equipment or services to a country, the government of which the Secretary of State has determined for purposes of Section 6(j) of the Export Administration Act of 1979, is a government which has repeatedly provided support for acts of international terrorism; provided, however, that any particular ineligibility required by this subsection (a)(7) shall terminate 12 months after such exports cease.

"(b) RELATED RESTRICTIONS ON ASSISTANCE. -- The following types of assistance may not be furnished to any country, as defined in subsection (7) above:

"(1) sales of defense articles, defense services, or design and construction services under the Defense Trade and Export Control Act;

"(2) licenses under section 38 of the Defense Trade and Export Control Act with respect to the export of defense articles or defense services to or for the armed forces, police, intelligence, or other internal security forces of a foreign country; and

"(3) licenses required under the Export Administration Act of 1979 for the export of crime control and detection instruments and equipment.

Mr. KOSTMAYER. Mr. Chairman, this is the amendment we discussed a couple of days ago, which was intended to prohibit foreign assistance to Czechoslovakia if they sold tanks to Syria.

There was an objection made by the gentleman from Indiana, Mr. Hamilton, to that amendment; and I withdrew it.

The suggestion was made that we globalize that amendment. In other words, we would restrict and prohibit and deny military assistance, also prohibit commercial sales to any country which then provides assistance to countries on the Secretary of State's list of terrorist states. That is what this amendment does.

It prohibits foreign assistance and prohibits prior commercial sales by denying export licenses to any country which then sells or gives military equipment or assistance to countries on the Secretary of State's terrorist list.

Mr. LAGOMARSINO. Will the gentleman yield to me?

Mr. KOSTMAYER. I yield to the gentleman from California.

There is a Presidential waiver in it, as well.

Mr. LAGOMARSINO. OK.

Mr. KOSTMAYER. The President can waive this in the interest of national security.

Mr. LAGOMARSINO. Thank you.

Mr. HAMILTON. Would the gentleman yield for a question?

Mr. KOSTMAYER. Yes.

Mr. HAMILTON. I am trying to understand the gentleman's amendment. What does this do with respect to Czechoslovakia and arms sales?

Mr. KOSTMAYER. It does not mention any country specifically, but any country which sold or provided assistance to the countries on the terrorist list would be denied American military assistance and also would be denied the right to purchase from private American companies, arms.

Mr. HAMILTON. What is the effect on Czechoslovakia?

Mr. KOSTMAYER. That depends on Czechoslovakia's behavior.

Mr. HAMILTON. The original amendment of the gentleman was aimed at Czechoslovakia. The question I ask is, are you accomplishing the same thing with this amendment that you sought in your first amendment?

Mr. KOSTMAYER. I would have to say honestly to the gentleman, yes, but I am doing it because the Chairman of the full committee suggested that all countries, not just Czechoslovakia, be included in this.

It was astonishing to me that this was not already law, and as the Chairman of the full committee said, if it isn't law, it ought to be, and I agree.

Chairman FASCELL. The problem—one of the problems that I see, Mr. Hamilton, is that Czechoslovakia is not the only country selling to Syria.

Mr. KOSTMAYER. Hasn't done so yet and may not.

Chairman FASCELL. Which countries are on the "J" list?

Mr. BERMAN. Do you mean who is on the "J" list? Syria, Iraq, Libya, North Korea, Cuba, and maybe Yemen.

Yemen came off, I am told.

Chairman FASCELL. So I have two, three, four, five countries; is that right?

Mr. PECKHAM.¹ Iran.

Chairman FASCELL. Six.

Mr. BERMAN. North Vietnam or Kampuchea?

Mr. PECKHAM. No.

Chairman FASCELL. Who receiving assistance is also selling arms to Syria, Iraq, Libya, North Korea, Cuba or Iran?

Mr. KOSTMAYER. If I could be recognized, the Administration will have to answer that.

Chairman FASCELL. I understand that, but I am just trying to find out who your amendment would affect.

Mr. BERMAN. Who is selling to those countries?

Chairman FASCELL. What countries receiving assistance under the U.S. foreign aid program are selling lethal military equipment to the countries who are on the "J" list?

Mr. LEACH. There is always a possibility that some of our allies in the Gulf were supplying something to Syria.

If the gentleman from Pennsylvania could—if I could have his attention for a second. If strikes me the gentleman has what appears to be a very reasonable amendment. On the other hand, in international affairs, you can have extraordinarily fast-changing situations, and I am wondering if possibly he could accept a one-sentence amendment.

I know it sounds awkward, but just to say, "Except that the President may waive on written notification to the Congress." The advantage of that notification is that it would put—

Mr. KOSTMAYER. If the gentleman will yield.

I agree, and there is a Presidential waiver in there. It is quite broad. It does allow the President to do that.

Mr. LEACH. I don't see it.

Mr. BERMAN. Will the gentleman yield?

Mr. LEACH. I would be happy to yield to the gentleman.

Chairman FASCELL. The waiver is on page 320 of the bill, Mr. Leach.

Mr. LEACH. There is a waiver in the bill?

Chairman FASCELL. Yes.

Mr. LEACH. Even though it is not in this amendment, it does apply.

Chairman FASCELL. If you'll refer to your copy of the bill, we will be absolutely sure.

Mr. BERMAN. What page?

Chairman FASCELL. Page 320, line 20. We believe that that covers it.

Mr. BEREUTER. Would the gentleman yield?

Chairman FASCELL. Mr. Kostmayer, will you answer a question from Mr. Bereuter?

Mr. KOSTMAYER. Yes, Mr. Chairman.

Could I ask unanimous consent to delete from the amendment Section 3, which reads, "Licenses required under the Export Administration Act of 1979 for the export of crime control and detection instruments and equipment."

I ask unanimous consent to delete that from the amendment.

¹Gardner Peckham is a Deputy Assistant Secretary of State for Legislative Affairs.

Mr. HAMILTON. Chairman, we apparently don't have the amendment.

Chairman FASCELL. Mr. Kostmayer, we are having a little difficulty here.

Mr. KOSTMAYER. I am here, Mr. Chairman.

Chairman FASCELL. I know you are.

We are trying to straighten this out. We are looking at an amendment to the committee print offered by Mr. Kostmayer on page 320. After line 14 insert the following new paragraph—then you number that seven. Are we talking off the same sheet of music?

Mr. KOSTMAYER. Yes, we are.

Chairman FASCELL. Countries that export lethal military equipment to countries supporting international terrorism, "A country which provides lethal military equipment to a country, the government of which the Secretary of State has determined, for purposes of Section 6(j) of the Export Administration Act of 1979, is a government"—

Mr. KOSTMAYER. That is correct, Mr. Chairman.

Chairman FASCELL. That doesn't read right. Sorry, there is some grammatical problem.

Mr. HAMILTON. Mr. Chairman, in your reading just a moment ago, you omitted the words "or services." In the amendment in front of me, I have the line—

Chairman FASCELL. We are discussing with Mr. Kostmayer the possibility of taking the word "services" out and restricting the amendment to "lethal military equipment."

Mr. KOSTMAYER. It is hard to understand when I can't see you, Mr. Chairman.

Chairman FASCELL. Let's see if we can straighten this out.

Are you amenable to striking out "or services"?

Mr. KOSTMAYER. Yes, sir.

Chairman FASCELL. On the definition, are you willing to strike "is a government which has", and saying "a terrorist government"?

Mr. KOSTMAYER. "As defined by the Secretary of State."

Chairman FASCELL. "As defined by the Secretary of State." All right. Just be patient with us, and we will straighten this out.

Mr. KOSTMAYER. I am a person of infinite patience, as you know, Mr. Chairman.

Chairman FASCELL. I am learning with remarkable skill.

Mr. BEREUTER. Mr. Chairman, I would like to reserve the right to object. If it is appropriate, I would like to ask the gentleman to yield for a question.

Mr. KOSTMAYER. I would be happy to yield to my friend from Nebraska.

Mr. BEREUTER. Thank you very much. I say to my colleague, would the gentleman consider an amendment after the word "which" in the first line, to add a phrase? The phrase would be "after passage of this act, enters a contract to provide"—strike the word "provides." In other words, your amendment, as now drafted, would become effective and would affect any contract entered into after passage of this act.

Mr. KOSTMAYER. This would follow the word "which," "a country which"?

Mr. BEREUTER. "Which after passage of this act enters a contract to provide."

Mr. KOSTMAYER. In other words, you are grandfathering existing contracts?

Mr. BEREUTER. Yes, and I do that very specifically and forthrightly because Czechoslovakia has a long-term contract to deliver a certain number of tanks to Syria that was in effect well before the Havel government took over.

Mr. KOSTMAYER. I would be interested to know the reaction of the chairman of the full committee, if he was willing to support it.

Chairman FASCELL. "After passage of this act," Doug?

Mr. BEREUTER. After the word "which," add "after passage of this act enters a contract to provide."

I have that amendment to the Kostmayer amendment pending at the desk.

Chairman FASCELL. We can take care of it right here.

Let's read the rest of this amendment. The proponent has agreed to take out "services," so as not to complicate the matter. After "1979" we would strike out the definition and insert, in lieu thereof "is a terrorist government." Staff tells me that is consistent.

Then we have "provided, however, that any particular ineligibility required by this subsection (a)(7) shall terminate 12 months after such exports cease." This amendment would apply to the language already in Chapter 2, Restrictions on Assistance, starting on page 318. It says, "Except as provided in subsection (b), assistance under this act may not be furnished to any of the following," and what Mr. Kostmayer's amendment does is add a seventh category.

Mr. KOSTMAYER. That is correct.

Chairman FASCELL. Unfortunately, Mr. Kostmayer, the complete text of your amendment has not been made available to all members. That is the way I understand it.

Mr. LEACH. Perhaps we can put the amendment off until it is available in final form?

Chairman FASCELL. We will defer consideration on the Kostmayer amendment while the staff works out how it should read. In the meantime, are there any further reservations?

Mr. Weiss.

WEISS STATEMENT ON NARCOTICS CONTROL AMENDMENT

Mr. WEISS. Mr. Chairman, I ask unanimous consent to proceed out of order for 30 seconds.

Chairman FASCELL. Without objection.

Mr. WEISS. Mr. Chairman, yesterday, I was unavoidably absent when the anti-narcotics amendment was approved. Had I been present, I would have opposed the amendment. I ask unanimous consent that my prepared statement be placed in the record during the debate on that amendment.

Chairman FASCELL. Without objection, it is so ordered.

TITLE VII

Chairman FASCELL. While we are straightening out the Kostmayer amendment, we will continue on. I gather that that concludes Title VI.

We now go to Title VII. We have two reservations; Mr. Torricelli and Mr. Lagomarsino, you have one?

Mr. LAGOMARSINO. Yes.

Chairman FASCELL. Mr. Torricelli, are you set?

Mr. TORRICELLI. Yes, I am, Mr. Chairman.

Chairman FASCELL. All right, the Torricelli amendment on Title VII.

TORRICELLI AMENDMENT—ASSISTANCE FOR GUATEMALA

Mr. TORRICELLI. Mr. Chairman, I have an amendment with respect to Guatemala.

Mr. INGRAM. Amendment offered by Mr. Torricelli, an amendment—

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for amendment.

[The amendment referred to follows:]

TORRIC049

5/23/91

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. TORRICELLI

Amend section 713 (page 432, line 1, through page 436, line 12) to read as follows:

1 SEC. 713. ASSISTANCE FOR GUATEMALA.

2 (a) PROHIBITION ON MILITARY ASSISTANCE.--Foreign military
3 financing assistance may not be provided for Guatemala for
4 fiscal years 1992 and 1993, except as provided in subsection
5 (b) relating to ceasefire monitoring, demobilization, and
6 transition to peace.

7 (b) FUND FOR CEASEFIRE MONITORING, DEMOBILIZATION, AND
8 TRANSITION TO PEACE.--

9 (1) ESTABLISHMENT.--There is hereby established in
10 the Treasury of the United States a fund to assist with
11 the costs of monitoring a ceasefire and the permanent
12 settlement of the conflict in Guatemala, including the
13 demobilization of combatants and their transition to
14 peaceful pursuits. This fund shall be known as the
15 Demobilization and Transition Fund for Guatemala
16 (hereinafter in this subsection referred to as the
17 "Fund").

18 (2) TRANSFER OF CERTAIN MILITARY ASSISTANCE

TORRIC049

2

1 FUNDS.--For each of the fiscal years 1992 and 1993, the
2 President may transfer to the Fund, from amounts made
3 available for foreign military financing assistance, such
4 sums as may be necessary to carry out the purposes of
5 paragraph (4).

6 (3) CONDITIONS FOR USE OF THE FUND.--Amounts in the
7 Fund shall be available for obligation and expenditure
8 only upon notification by the President to the
9 appropriate congressional committees that the Government
10 of Guatemala and representatives of the Guatemalan
11 National Revolutionary Unit (UNRG) have agreed to a
12 ceasefire.

13 (4) USE OF THE FUND.--Amounts transferred to the Fund
14 are authorized to be used for, or shall be available only
15 for--

16 (A) costs of demobilization, retraining,
17 relocation, and reemployment in civilian pursuits of
18 former combatants in the conflict in Guatemala, and

19 (B) costs of the monitoring of the ceasefire and
20 permanent settlement in Guatemala.

21 (5) DURATION OF AVAILABILITY OF AMOUNTS IN THE
22 FUND.--For purposes of provisions of law relating to
23 periods of availability of funds, amounts transferred to
24 the Fund shall be deemed to be obligated upon transfer.

25 (c) PROHIBITION RELATING TO MFS AND COMMERCIAL

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3

1 SALES.--During fiscal years 1992 and 1993, the authority of
 2 the Defense Trade and Export Control Act may not be used to
 3 sell to the Government of Guatemala and licenses may not be
 4 issued under section 38 of that Act for the export to
 5 Guatemala of--

- 6 (1) any weapons or ammunition; or
- 7 (2) any aircraft, unless those aircraft are unarmed
 8 and the Government of Guatemala has agreed that those
 9 aircraft will not be armed.

10 (d) ECONOMIC AND FOOD ASSISTANCE.--

11 (1) LIMITATIONS.--For fiscal years 1992 and 1993,
 12 development assistance, economic support assistance, and
 13 assistance under the Agricultural Trade Development and
 14 Assistance Act of 1954 that is provided for Guatemala--

15 (A) may be used only by civilian agencies and
 16 nongovernmental organizations;

17 (B) shall be targeted for assistance--

18 (i) for programs that directly address
 19 poverty, basic human needs, and environmental
 20 concerns;

21 (ii) to improve the performance of democratic
 22 institutions or otherwise to promote pluralism;

23 (iii) for the National Reconciliation
 24 Commission;

25 (iv) for fiscal reform and fiscal

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4

1 administration, or

2 (v) for programs that promote foreign and
3 domestic trade and investment; and

4 (C) may not be used for partisan political
5 purposes or as an instrument of counterinsurgency.

6 (2) WAIVER.--The President may waive subparagraph (B)
7 of paragraph (1) if the President reports to the
8 appropriate congressional committees that the Government
9 of Guatemala has made progress in eliminating human
10 rights violations and in investigating and bringing to
11 trial those responsible for major human rights cases such
12 as those involving Americans.

13 (3) CONGRESSIONAL REVIEW OF CERTAIN
14 ASSISTANCE.--Funds may be obligated for fiscal years 1992
15 and 1993 pursuant to a waiver under paragraph (2) only if
16 the appropriate congressional committees are notified at
17 least 15 days in advance of such obligation in accordance
18 with the procedures applicable to reprogramming
19 notifications under section 6304 of the Foreign
20 Assistance Act of 1961.

Chairman FASCELL. The Chair recognizes the gentleman from New Jersey.

Mr. TORRICELLI. Thank you, Mr. Chairman.

After a number of weeks of discussion and negotiation, I am very pleased to report that we have a proposal with regard to assistance to Guatemala that the Administration has enthusiastically agreed not to oppose. That agreement includes the following, Mr. Chairman: Abandon foreign military financing and lethal arms sales; and condition balance-of-payments support on improvement in Guatemala's human rights performance.

To achieve this agreement, the subcommittee has shown, in my judgment, some considerable flexibility in giving the Administration the following for which it insisted: authority to provide IMET, and a realistic standard for releasing balance-of-payments support.

Let me go through each of the amendment's sections, Mr. Chairman, in some detail.

The foreign military financing is the simplest. It is simply prohibited. What is established is a demobilization and transition fund for Guatemala, which is patterned after what the committee did last year for El Salvador, into which FMS funds would be transferred for use in supporting a cease-fire once the President reports that a cease-fire is in place.

It prohibits lethal FMS in commercial sales during fiscal years 1992 and 1993. We are providing limitations on the use of economic and food assistance that are designed to prevent the use of such assistance for balance-of-payments support, which principally benefits the elite of Guatemala, who are, in our judgment, avoiding their real responsibility to provide revenues to the country.

The President may waive the limitations on balance-of-payments support if he reports that the Government of Guatemala has "made progress" in eliminating human rights violations and in bringing to trial those responsible for significant human rights cases.

We are providing that funds may be obligated under this waiver only under reprogramming procedures. Legislative language is bolstered by report language on which we have also agreed with the State Department and which I will submit for inclusion in the report.

Mr. Chairman, we all take some significant heart in President Serrano's stated commitment to end impunity for those officials involved in human rights violations. Of course, we have great hopes for this new President and wish him well. At the same time, it has been our judgment, I believe on a bipartisan basis in the subcommittee, that we cannot ignore certain facts.

The human rights situation in Guatemala has grown steadily worse in recent years, evoking fears of the dark days of the early 1980s. Indeed, it is arguably the worst situation in Central America.

The State Department's own human rights report concedes that "The security forces are virtually never held accountable. Indeed, despite President Serrano's promises, the human rights violations are double what they were for the comparable period last year."

In the May 18th Miami Herald, it is reported there is a wave of threats against leftist politicians and labor leaders, which has

prompted more than a dozen people to flee into exile in the last 10 days. All this, Mr. Chairman, when we were hoping that we were in a period of significant progress.

Added to this problem, Mr. Chairman, is the committee's belief that middle-income Americans are being asked to provide their tax dollars to help a tragic economic situation in Guatemala when the elite of that country is not permitting itself to be taxed.

We have offered today to compromise on all of these points, making clear our belief that Guatemala must reform its own tax situation, get its security forces under control, begin prosecuting human rights cases and reaching a political settlement, to the extent possible, with the rebels in the country.

I believe that this is a fair proposal. It is certainly balanced. We have, Mr. Chairman, worked very hard to reach this negotiated, bipartisan conclusion to what was a confrontation; and I want to thank the Minority for its cooperation in doing so, the patience of all Members of the subcommittee, and particularly, Assistant Secretary Aronson, who has given great time, considerable attention, and shown great patience while we have worked towards what I believe is a good, a tough, and a responsible provision that we can offer to this committee today.

Thank you, Mr. Chairman.

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. Thank you, Mr. Chairman.

When I presented the feelings of the Minority on Title VII, both in subcommittee and in the full committee, I was very harsh. I said the proposals in many ways were extreme. I still think they were.

But, however—as a matter of fact, I had a reservation for an amendment that would have sought to strike Title VII in its entirety.

I would not want to do that now, Mr. Chairman, because I think Title VII is deserving of support. I think it has the—the gentleman from New Jersey and the committee have come a long way. I think they have been very flexible indeed.

At this point, I guess I would say, what I said about Congressman Solarz in connection with last year's bill now applies to Mr. Torricelli, i.e., I praised him for his help and cooperation.

With regard to Guatemala, I would like to just make a couple of points for the record on things that have happened. President Serrano has inherited a very difficult situation, but he has replaced the Guatemalan top military leadership; the leadership of his own choosing is in there now. He has appointed a civilian as Minister of the Interior, to assure a full civilian control over the police forces.

He has reactivated and reinforced the Presidential Commission on Human Rights to ensure the continued implementation of its functions, which include support for the human rights ombudsman appointed by Congress. He has increased efforts to solve existing cases involving human rights abuses, including the Michael DeVine, Myrna Mack, and Sister Dianna Ortiz cases.

He submitted legislation to the Congress to reform and modernize the prosecutorial and judicial systems. He has initiated the negotiation among all sectors of Guatemalan society of a social pact to provide improved economic and social benefits pending full institution of needed structural reforms.

And I am sure the gentleman from New Jersey appreciates this. We will see where it goes, but he has initiated a broad reform of the tax system, including ensuring that taxes are paid. Of course, we know that he has also entered into negotiations with the guerilla movement there to bring that war to an end.

Again, I want to compliment the gentleman for his flexibility and for coming up with an amendment on Guatemala that I think not only will preserve the interests of Congress, but is the right thing to do.

Chairman FASCELL. Mr. Weiss.

Mr. WEISS. Thank you, Mr. Chairman.

Mr. Chairman, as one who has played an active role in proposing the original initiative and working through the efforts to arrive at this agreement, I want to commend the distinguished gentleman from New Jersey, the distinguished Chairman of the Subcommittee on Western Hemisphere for the extraordinary effort he has made to accommodate the Administration's concerns.

He has made many compromises on key provisions but has retained the most important element, the explicit link between human rights and economic support funds.

The sad fact, Mr. Chairman, is that although President Serrano, I think, has the best intentions in the world and has taken steps that are within his power to take to improve the situation, the sad fact is that the situation seems to be getting worse by the day.

Mr. Torricelli referred to the May 18 edition of the Miami Herald which talks about leaders of the Christian Democratic Party fleeing and they believe fleeing Guatemala because of threats that have been made to them. And the fact is there are double the number of killings taking place this year as took place last year.

It does not bode well for the future. With all the movement forward there has not yet been a taking hold of that security system that, in fact, it is worse. Elements are not able to control the killing agenda.

I am hopeful that this compromise working as it does with the statements of the State Department and our distinguished Ambassador Tom Stroock, who has taken a strong public stand against continued human rights violations, will play a role in providing the kind of support that President Serrano may need to be able to, in fact, impose not only his intentions but his will on his security forces.

Thank you, Mr. Chairman.

Chairman FASCELL. Mr. Gejdenson.

Mr. GEJDENSON. Thank you, Mr. Chairman.

I would like to commend the Chairman of the Western Hemisphere Subcommittee for his efforts. There is such great tragedy in Latin America and our role has not always been the best historically. This may be the beginning of a process in Guatemala to undo 30 years of policy that has done more damage than helped.

In the last 20 years alone, the devastation to the Native Indians in Guatemala by government after government is probably one of the worst outrages in Latin America, and there are so many. I just hope that this will be the beginning of an effort to put our resources in a place where they do some good.

Much like the the Middle East on a smaller scale, it seems we are driven to military solutions even when there are no military problems. The problems in Guatemala are problems of an economy that is inadequate to meet the needs of its people, a country where the Native inhabitants are continuously being decimated.

I hope we can make this small step forward to undo some of the damage that we helped put upon the Guatemalan people.

Chairman FASCELL. May I express my appreciation to all of you on the subcommittee for working this out so that we have a bipartisan consensus with regard to the Guatemala provision. I know it was difficult and took a lot of work, but it certainly was worth the effort and the time expended on it to get this done.

So I want to thank the Chairman and the Ranking Member for working together on what certainly was a very difficult subject.

Is there further discussion?

Mr. Goss.

Mr. Goss. Mr. Chairman, thank you.

I have a point of inquiry for the distinguished Chairman of the subcommittee if I may since I have not been able to see the report language yet, and I also add my applause to the general applause for taking an impossible situation and finding apparently possible solution.

It goes to page 2, line 11 and 12, they agreed to a cease fire.

My question is do we have a definition of the cease fire? Is this an official cease fire? Is there anything that clarifies further or explains further?

Mr. TORRICELLI. In my judgment, what would qualify is a joint announcement, or as a result of discussions a general and public commitment to cease hostilities.

We are not seeking a complete political accommodation or peace treaty. The fact would be that both sides came forward and recognized they can reach settlements without war.

Mr. Goss. I thank the gentleman.

Thank you, Mr. Chairman.

VOTE ON THE TORRICELLI AMENDMENT

Chairman FASCELL. Further discussion?

If not, the question is on the agreeing to the Torricelli amendment.

All those in favor signify by saying aye.

Opposed, no?

The ayes have it. The amendment is agreed to.

Chairman FASCELL. Mr. Lagomarsino.

LAGOMARSINO AMENDMENT—HUMAN RIGHTS PRACTICES IN THE DOMINICAN REPUBLIC

Mr. LAGOMARSINO. Mr. Chairman, I have an amendment.

Chairman FASCELL. The Lagomarsino amendment. The clerk will report the amendment.

Without objection, the amendment will be considered as read and printed in the record and open for amendment.

[The Lagomarsino amendment follows:]

AMENDMENT TO BE OFFERED BY MR. LAGOMARSINO TO TITLE VII, SECTION 722

On page 439, delete lines 14 through line 17 on page 440, and insert in lieu thereof the following: "expenditure until the President reports to the appropriate congressional committees on the steps taken by the Government of the Dominican Republic to improve respect for the internationally recognized human rights of Haitian laborers engaged in the sugar cane harvesting industry in the Dominican Republic."

Chairman FASCELL. The gentleman from California is recognized to explain his amendment.

Mr. LAGOMARSINO. Before I do that, Mr. Chairman, I would like to ask unanimous consent to include the words "including enforcement of the provisions mandated by President Balaguer's decree of October 15, 1990," at the end of the amendment.

Chairman FASCELL. You want to strike the period and quotation mark?

Mr. LAGOMARSINO. Yes.

Chairman FASCELL. And insert a comma.

Mr. LAGOMARSINO. Yes, insert a comma, and the words "including the enforcement of the provisions mandated by President Balaguer's decree of October 15, 1990."

Chairman FASCELL. Does the reporter have that?

All right. Is there objection?

Hearing none, so ordered.

Mr. LAGOMARSINO. Mr. Chairman, I might say the amendment I just asked to be added was suggested to me by the Chairman of the subcommittee, Mr. Torricelli, and I think it makes sense.

What the amendment would do is to achieve all the goals of section 722 without the excessive micromanagement and language which the underlying language contains.

I don't have an official administration position but I am sure that it will not be too objectionable because it is, in my opinion, better than what is there already. I don't think we could strike the section completely and I think also that it probably would be a mistake to strike the section completely because it might indicate to people in the Dominican Republic wrongly, but it could indicate we were not concerned about that issue anymore.

So I think that this is a good way to go. It does preserve the withholding of a \$1 million of ESF for the Dominican Republic, requires a report on the human rights of Haitian workers that are there and with the amendment added to the amendment it does require that President Bush report on what President Balaguer is doing about his own decree.

I am prepared to work with the Majority to include all the concerns currently in the committee print into a tough report language so it will be clear what we are talking about.

Chairman FASCELL. Mr. Torricelli.

Mr. TORRICELLI. Mr. Chairman, thank you.

I lend my support to Mr. Lagomarsino's language. I believe it is a distinction without a significant difference. It is more important that this committee, indeed, this Congress, speak with one voice on this issue than any particular change in language.

If the committee will indulge me for only a moment, I would like to read two brief excerpts because this is a problem of which every member of this committee should be aware, that here in 1991 only

miles from the American shore for all practical purposes slavery is taking place. Allow me to read two brief passages from the Lawyers Committee on Human Rights.

"There is no material improvement in the situation. Trafficking in children is widespread and forced labor rampant."

From Americas' Watch: "Despite reforms announced by the Dominican government in 1990, Haitians continue to be forced against their will to work on state-run sugar plantations for little pay under deplorable conditions for the duration of the harvest season of up to six months."

Mr. Chairman, we may have changed some language, but let the message from this committee be unmistakable. We will be watching to see what the administration reports. We will closely watch the situation. I for one intend to go see it personally. I hope others will join me.

We have given to the Dominican government every benefit of the doubt, all the time necessary. We regard them as friends and we want the closest relationship in development of their country. But we will not go away.

Conditions of poverty and sometimes of oppression are part of development and mistakes are made, but this is no mistake. This is slavery. It is purposeful. It is knowing. It is ongoing and it is going to end or this committee has only begun to put restrictions and to give attention to this problem.

I thank the gentleman for his changes in language, for his help, and I am glad that we can all do this together.

Mr. Chairman, thank you.

VOTE ON THE LAGOMARSINO AMENDMENT

Chairman FASCELL. Is there further discussion on the Lagomarsino amendment?

If not, the question is on agreeing to the amendment.

All those in favor signify by saying aye?

All those oppose, no?

The ayes have it. The amendment is agreed to.

That concludes Title VII.

TITLE IX

We are now at Title IX. Are there any amendments to Title IX?

Mr. LEACH. Mr. Chairman.

Chairman FASCELL. Mr. Leach.

Mr. LEACH. I have an amendment on Cambodia.

LEACH AMENDMENT—SUBSTITUTE ON CAMBODIA

Chairman FASCELL. Mr. Leach has an amendment to Title IX, section 902, the Clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Leach.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with; it will be printed in the record in full, and open for discussion and amendment. The gentleman is recognized.

[The Leach amendment follows:]

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5/15/91

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY MR. LEACH

Strike section 902 and insert the following:

1 SEC. 902. CAMBODIA.

2 (a) FINDINGS.--The Congress finds that--

3 (1) the Government and people of the United States
4 remain unalterably opposed to the return to power by the
5 Khmer Rouge and believe that those responsible for the
6 genocide in Cambodia in the 1970's, including Pol Pot,
7 should be held accountable, through appropriate
8 mechanisms, for their barbaric crimes;

9 (2) a comprehensive political settlement of the
10 Cambodian conflict remains the best available way of
11 achieving the objectives of the United States toward that
12 country, that is, preventing the Khmer Rouge from
13 returning to power, facilitating self-determination,
14 independence, peace, and prosperity for the Cambodian
15 people, and bringing an end to Cambodia's role as a pawn
16 in geopolitical struggles;

17 (3) the approach to a comprehensive settlement in
18 Cambodia developed by the 5 permanent members of the
19 United Nations Security Council during 1990, with the

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1 significant contributions of Indonesia, Australia, Japan,
2 and the United Nations Secretariat, meets at least the
3 minimum interests of all parties to the Cambodian
4 conflict and those of the Cambodian people;

5 (4) the United States supports the principle of
6 freedom of political choice for the Cambodian people,
7 including noncommunist and democratic alternatives to the
8 two current but competing communist political movements;

9 (5) the United States is prepared to work with the
10 current leadership in Phnom Penh should the Cambodian
11 people choose it through free and fair elections to lead
12 a new Cambodian government;

13 (6) the Cambodian people, particularly women and
14 children, should not be denied basic humanitarian
15 necessities before the conclusion of a comprehensive
16 political settlement; and

17 (7) the Government of the United States has made a
18 serious and significant effort to make explicit to
19 Vietnam and the Phnom Penh regime the willingness of the
20 United States to lift the economic embargoes and
21 normalize relations if they agree to the political
22 settlement proposed by the 5 permanent members of the
23 United Nations Security Council, bearing in mind in the
24 case of Vietnam that the pace and scope of the
25 normalization process will be directly affected by

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1 Hanoi's cooperation on the
2 POW/MIA issue and other humanitarian concerns.

3 (b) SENSE OF CONGRESS.--It is the sense of the Congress
4 that--

5 (1) the Government of Vietnam and the Phnom Penh
6 regime should negotiate in good faith on the draft text
7 developed by the 5 permanent members of the United
8 Nations Security Council and the Paris Conference Co-
9 Chairmen regarding a settlement of the Cambodian
10 conflict, with the intention to reach final agreement at
11 the earliest possible moment, and all parties to the
12 conflict should consider seriously any reasonable
13 elaborations of the draft text which may be proposed;

14 (2) as a party to the Genocide Convention, the United
15 States affirms that genocide is a crime under
16 international law which it undertakes to prevent and
17 punish, and calls upon the competent organs of the United
18 Nations to take such action under the Charter of the
19 United Nations as they consider appropriate for the
20 prevention and suppression of acts of genocide in
21 Cambodia; and

22 (3) the interests of noncommunist Cambodian
23 organizations and of the Cambodian people are best served
24 by those organizations devoting themselves to political
25 efforts rather than offensive military initiatives.

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4

1 (c) HUMANITARIAN AND DEVELOPMENT ASSISTANCE FOR
2 CAMBODIA.--

3 (1) AUTHORIZATION.--Of the funds made available for
4 fiscal years 1992 and 1993 for development assistance and
5 economic support assistance, not more than \$20,000,000 in
6 each such fiscal year may be made available for
7 humanitarian and development assistance for Cambodians
8 along the Thai-Cambodian border, and throughout Cambodia,
9 notwithstanding any other provision of law.

10 (2) DEFINITION.--For purposes of this subsection, the
11 term "humanitarian assistance" includes food, clothing,
12 medicine, and other humanitarian assistance, but such
13 term does not include the provision of weapons, weapon
14 systems, ammunition, any other equipment, vehicles, or
15 material which can be used to inflict serious bodily harm
16 or death, or any other item which is used solely for
17 military conflict.

18 (3) LIMITATION ON HUMANITARIAN AND DEVELOPMENT
19 ASSISTANCE TO CAMBODIANS IN AREAS CONTROLLED BY THE PHNOM
20 PENH REGIME.--Before the conclusion of an international
21 agreement acceptable to the United States with respect to
22 a political settlement in Cambodia, funds allocated under
23 this subsection for humanitarian and development
24 assistance for Cambodians in areas of Cambodia under the
25 control of the Phnom Penh regime may be provided only

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5

1 through international agencies and United States private
2 and voluntary organizations.

3 (d) PROHIBITION ON CERTAIN ASSISTANCE TO THE KHMER
4 ROUGE.--Notwithstanding any other provision of law, none of
5 the funds made available to carry out this section may be
6 obligated or expended for the purpose or with the effect of
7 promoting, sustaining, or augmenting, directly or indirectly,
8 the capacity of the Khmer Rouge or any of its members to
9 conduct military or paramilitary operations in Cambodia or
10 elsewhere in Indochina.

11 (e) HUMANITARIAN ASSISTANCE TO CHILDREN.--Of the funds
12 made available for fiscal years 1992 and 1993 under the
13 Foreign Assistance Act of 1961, not less than \$5,000,000 in
14 each such fiscal year shall be made available,
15 notwithstanding any other provision of law, to provide
16 humanitarian assistance to children and war victims in
17 Cambodia, except that, until the conclusion of an
18 international agreement acceptable to the United States
19 regarding a settlement of the Cambodian conflict, such
20 assistance shall be provided through international relief
21 agencies and United States private and voluntar
22 organizations.

23 (f) TRAINING OF NONCOMMUNIST CAMBODIANS.--Notwithstanding
24 any other provision of law, the President may use such funds
25 as may be necessary from funds made available for development

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1 assistance and economic support assistance for fiscal years
 2 1992 and 1993 to provide, through the United Nations or
 3 otherwise, for the nonmilitary training of noncommunist
 4 Cambodians who are outside of Cambodia, including Cambodians
 5 in the United States, in appropriate skills that would be
 6 used by them upon returning to Cambodia in the context of an
 7 internationally acceptable political settlement in that
 8 country.

9 (g) INTERNATIONAL RELIEF PROGRAM FOR
 10 CAMBODIA.--Notwithstanding any other provision of law, the
 11 President may use such funds as may be necessary from funds
 12 made available under the Foreign Assistance Act of 1961 for
 13 fiscal years 1992 and 1993 for contributions and programs by
 14 the United States as part of an international program of
 15 relief (including resettlement and rehabilitation) and
 16 reconstruction in Cambodia in the context of an
 17 internationally acceptable political settlement in that
 18 country.

19 (h) CLARIFICATION OF AUTHORITIES GRANTED.--

20 (1) EARMARKINGS OF FUNDS NOT AFFECTED.--Nothing in
 21 this section supersedes any provision of this Act or the
 22 annual Foreign Operations, Export Financing, and Related
 23 Programs Appropriation Act that earmarks funds for a
 24 specific country, region, organization, or purpose.

25 (2) APPROPRIATION ACT LIMITATIONS NOT

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1 AFFECTED.--Nothing in this section supersedes any
2 provision of the annual Foreign Operations, Export
3 Financing, and Related Programs Appropriation Act that
4 specifically refers to the assistance authorized by this
5 section and establishes limitations with respect to such
6 assistance.

7 (3) REPROGRAMMING REQUIREMENTS NOT AFFECTED.--Nothing
8 in this section supersedes the requirements of section
9 6304 of the Foreign Assistance Act of 1961 or any
10 provision of the annual Foreign Operations, Export
11 Financing, and Related Programs Appropriation Act that
12 requires prior notification to congressional committees
13 of proposed reprogrammings of funds.

SOLARZ AMENDMENT TO THE LEACH AMENDMENT.

Mr. LEACH. I would like to ask unanimous consent that it be considered as amended by Mr. Solarz, Mr. Chairman.

Chairman FASCELL. I can't hear you over the bells.

Mr. LEACH. I would like to ask unanimous consent that it be considered as amended by the amendment of Mr. Solarz.

Mr. SOLARZ. Mr. Chairman, I have an amendment to the Leach amendment.

Chairman FASCELL. The clerks will distribute the Solarz amendment.

[The Solarz amendment follows:]

AMENDMENT TO THE AMENDMENT OF MR. LEACH TO SECTION 902 OFFERED BY MR. SOLARZ

Insert at page 4, line 18 a new subparagraph (3), renumbering subsequent subparagraphs accordingly:

"(3) *Distribution of Assistance for Cambodians along the Thai-Cambodian Border.* Humanitarian and development assistance under this subsection that is provided for Cambodians along the Thai-Cambodian border may be provided through non-communist Cambodian organizations and private and voluntary organizations, so long as the President has not determined that specific groups or military units providing such assistance are cooperating militarily with the Khmer Rouge."

Mr. SOLARZ. It has been worked out with Mr. Leach and it is acceptable to the administration. I don't believe it should be controversial.

Chairman FASCELL. Is there objection to the unanimous consent request?

If not, so ordered.

Mr. Leach.

Mr. LEACH. Mr. Chairman, there is a vote on and we can do this quickly. I have no long need for great explanation. What this amendment does is craft a new approach to Cambodia that emphasizes humanitarian aid that may also involve certain funding for training in Democratic procedures for Cambodians. It underscores the U.S. opposition to the return of Pol Pot, indicates a preference for the U.S.—in conjunction with U.N. initiatives—to hold him and others accountable for the crime of genocide.

It also removes certain statutory authority for the U.S. to give foreign assistance to those who have been in alliance with the Khmer Rouge, although it does retain a little bit of flexibility in that regard.

As I understand it, this has the support of the administration and the chairman of the subcommittee can also support it; but it provides a little different flavor over past approaches to Cambodia by simply emphasizing the need to assist civilians as contrasted with groups that I don't think the United States should be quite as closely aligned to as some have suggested in the past.

Mr. SOLARZ. Will the gentleman yield?

Mr. LEACH. Yes, I yield.

Mr. SOLARZ. I want to thank the gentleman for what is a very constructive amendment. For better or for worse, there seems to be more consensus on Cambodia in the Congress than there is among the Cambodians. I think that this amendment, by clarifying our policy towards Cambodia, might make a modest but useful contri-

bution to a political settlement of the Cambodian problem which is the only way that there will be any real hope for the future of that country.

I want to thank the gentleman for his amendment. I believe this is also acceptable to the administration. Hopefully, it will form the basis for a consensus in the House as a whole as we move forward on this issue.

VOTE ON THE LEACH AMENDMENT AS AMENDED

Chairman FASCELL. Is there further discussion on the Leach amendment as amended by Mr. Solarz?

If not, the question is on agreeing to the amendment.

All in favor signify by saying aye.

All those opposed, no.

The ayes have it. The amendment is agreed to.

Mr. Leach, do you have another amendment?

Mr. LEACH. No.

Mr. BERMAN. Mr. Chairman, I wonder if it would be possible to lay out where we are going. Are we coming back after the vote?

Chairman FASCELL. We will go vote now. I would like to come back and go at least another hour, break for lunch, and come back at 1:30.

Mr. BERMAN. Can I ask a question in terms of timing, if we want to participate in the fast track debate, do we have a sense, will the issue of arms control in the Middle East be the first issue up after we come back?

Chairman FASCELL. I would like to finish this title and then go back to Title II and finish that, yes.

Mr. DYMALLY. Mr. Chairman, if I may, Mr. Houghton and Mr. Wolpe, and Mr. Solarz have amendments on Title X.

Chairman FASCELL. When we come back we will finish Title IX first.

Mr. DYMALLY. Then do Title X.

Chairman FASCELL. Right.

[Recess.]

TITLE X

Chairman FASCELL. The committee will reconvene.

Are there anymore amendments to Title IX?

If not, we will go to Title X, since all the principals are here.

Mr. SOLARZ. Mr. Chairman.

Chairman FASCELL. Mr. Solarz.

SOLARZ AMENDMENT—SUBSTITUTE LANGUAGE ON ERITREA

Mr. SOLARZ. Mr. Chairman, I have an amendment to Title X.

Chairman FASCELL. Mr. Solarz's amendment to Title X. The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Solarz, page 575.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with. It will be printed in the record in full and the gentleman is recognized in support of his amendment.

[The Solarz amendment follows:]

AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. SOLARZ OF NEW YORK

Page 575, strike paragraph (4) and insert in lieu thereof:

(4) supports efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future.

Mr. SOLARZ. Thank you very much, Mr. Chairman.

This amendment would strike a provision in the bill put there by my good friend from Indiana, Mr. Burton, and replace it with some new language relating to Eritrea.

Let me say that the efforts on the part of the gentleman from Indiana on behalf of the Eritrean people are legionary in this House. He has done very good work in focusing attention on the humanitarian problems in that part of the world.

The reason I offer this amendment, however, is simply because of recent developments in Ethiopia itself. Mr. Mengistu has finally fled the country. We all say good riddance to him. My only regret is he didn't leave a long time ago. But he has gone and his departure seems to have facilitated the beginning of negotiations between the various factions in Ethiopia. Negotiations will be taking place very shortly on the political future of the nation under U.S. auspices, as I understand it.

At this very delicate moment, when we clearly have an interest in facilitating an agreement that will bring peace to that country, I am concerned that if we leave the original language put in by the gentleman from Indiana, which would express the unequivocal support of the Congress for the right of self-determination for the people of Eritrea and a referendum to implement that right, we might just possibly prejudice the possibilities for a successful outcome, since one or more of the parties might feel that we are no longer neutral as it were.

In place of the language already in the bill, therefore, the language of my amendment would say that we support efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future.

I think this captures the sense of what the gentleman from Indiana was trying to do. I want to make it clear that personally, I have no objection to the Eritrean people achieving a new political status if that is what they want. But I think it is better to put it in this way. It's less likely to raise hackles, less likely to potentially compromise our standing as the mediator of this dispute and, therefore, more likely to facilitate a peaceful political settlement of the situation in Ethiopia. I am told that the gentleman from Indiana is prepared to accept this.

The chairman of the subcommittee has very graciously lent his imprimatur to this effort to resolve these conflicting perspectives.

Chairman FASCELL. Mr. Burton.

Mr. BURTON. Thank you very much.

Although I would have preferred the original language we had in our amendment, I appreciate the gentleman from New York, Mr. Solarz, working with us for a compromise that we can both live with.

I just would like to commend the people of Eritrea for their heroic 30 year struggle. As I said, we would have liked to see stronger language in the area of self-determination for them, but we understand, as the gentleman from New York just said, that Secretary Cohen is in very delicate negotiations or will be shortly, regarding the solving of the problems in Ethiopia and I don't think that we should be doing anything to upset the apple cart.

We certainly want to see the carnage that has been going on over the years stopped and see the terrible famines and things that have caused people to die by the thousands and maybe by the hundreds of thousands stopped as well.

This should not be interpreted by—misinterpreted by the Ethiopian government, which is still in power. I believe that this should send a signal to them that they must show good faith in their negotiations and that there should be a solution that is agreeable to everybody in these negotiations.

Finally, Mr. Chairman, I would like to suggest that we would like to have report language to go along with this amendment after it is passed.

Chairman FASCELL. I thank the gentleman.

Mr. PAYNE. Mr. Chairman.

Chairman FASCELL. Mr. Payne.

Mr. PAYNE. I, too, would just like to say that it is rare that I agree with Mr. Burton, but I, too, will certainly support this language. The Eritreans for decades have been fighting for their independence. In 1962 when the vote was supposedly taken regarding their status, as you know, it was scuttled by the then Emperor Haile Selassie and I do believe that these people deserve to be given consideration for their status and I too will support Mr. Burton in his support of Mr. Solarz's language.

I hope that Secretary Cohen and our U.S. officials will look very carefully at this issue. I would have liked to have seen stronger language, but we will agree with Mr. Burton on that. We will accept what is being proposed.

Thank you, Mr. Chairman.

VOTE ON THE SOLARZ AMENDMENT

Chairman FASCELL. Is there further discussion? If not, the question is on agreeing to the amendment.

All in favor signify by saying aye.

All opposed, no.

The ayes have it. The amendment is agreed to.

Mr. Dymally, before we get to the Wolpe amendment, could we have a dialogue with Mr. Bereuter on the Horn of Africa issue and would you repeat what you told me.

HORN OF AFRICA LEGISLATION

Mr. DYMALLY. Mr. Chairman, I am prepared to announce that at two o'clock Wednesday, there will be a full scale hearing on the African Horn legislation at which time we will invite the principal sponsors, Mr. Bereuter, Mr. Wheat, and Mr. Dorgan, to work over that bill.

I am informed by the full committee staff that the bill really needs working over and I am prepared with your help, Mr. Chairman, to offer that bill as an amendment on the floor as soon as we get the rules governing this piece of legislation.

Chairman FASCELL. Mr. Bereuter?

Mr. BEREUTER. Mr. Chairman, it is in my best interests to proceed with the legislation now and the 138 Members at latest count, and going up quickly. I appreciate the chairman's assurance of interest and action on it. I am deferring only because Chairman Fascell has suggested that I could offer this amendment on the floor with the view that indeed amendments that the gentleman in his subcommittee might feel appropriate could well be added at that point or directly. That is a little bit different than just what Chairman Dymally said.

Does the gentleman object to me offering it or having Mr. Dorgan or Mr. Wheat offer it with me at that point?

Mr. DYMALLY. Not at all.

It is quite possible that after the committee has offered its rewrite of that bill, you may not like it as well as you like the original one. If you don't, I will offer it.

If you do like it, then you may proceed.

But I am informed both by observers of the Horn and supporters of that legislation and the full committee that a lot of work has to be done to perfect a lot of language in the bill and make it a little more specific and less punitive.

Chairman FASCELL. In any event, let the Chair assure the gentleman from Nebraska that if he wants to offer his amendment as written right now on the Floor that he will be protected in that right.

In the meantime, however, if he can work with the subcommittee, and a different version is agreed to and is acceptable, that will be the amendment that can go to the Floor.

Mr. BEREUTER. Thank you, Mr. Chairman. I am not sure who has the time. Does the chairman have the time?

Mr. DYMALLY. I am pleased to yield to you, sir.

Mr. BEREUTER. Thank you for yielding.

I would like to prefer if the amendments are friendly and in the thrust of the direction of this legislation and the tide for this legislation is irreversible, we ought to act, and act now.

I would much prefer the chairman would attempt to incorporate his amendments directly into ours. If we can receive them, we would be most happy to have them.

Mr. DYMALLY. Indeed, I have no problem with you being the lead sponsor. My problem is breaking the precedent of having a hearing on a major piece of legislation and witnesses having an opportunity to have input. That is my only objection.

I support the legislation. I am a cosponsor and I am disposed of voting for it.

Mr. BEREUTER. Would the gentleman yield further?

Mr. DYMALLY. Yes.

Mr. BEREUTER. I thank the gentleman from California for yielding.

I think he makes a good point. I am anxious to pass the legislation. It is important to have full impact of testimony and the skills

that are available and I yield to Chairman Fascell's request and the request of the gentleman from California.

Mr. DYMALLY. If I may indulge in self-praise, there are not many chairmen who give hearings so easily in this Congress, I assure you.

Chairman FASCELL. Well, thank you, gentlemen.

We will leave you to work that out.

Mr. Wolpe?

WOLPE AMENDMENT—IMET ASSISTANCE TO AFRICAN COUNTRIES

Mr. WOLPE. Mr. Chairman, I have an amendment on the IMET section of our title which has been agreed to.

Mr. Burton and I worked out an agreement.

Chairman FASCELL. The clerk will report the amendment.

Mr. WOLPE. We don't have the new language of the compromise. Let me ask staff if they received that. We do have the amendment then, I am told.

Mr. INGRAM. Amendment offered by Mr. Wolpe.

Chairman FASCELL. The revised language is being distributed now. This is on page 610, beginning on line 21.

Mr. WOLPE. If I may explain it.

Chairman FASCELL. Let the clerk report the amendment.

Mr. INGRAM. Amendment offered by Mr. Wolpe; page 610—

Mr. WOLPE. I ask unanimous consent that the reading be dispensed with.

Chairman FASCELL. Without objection, the further reading will be dispensed with. It will be printed in the record in full, and open for discussion.

[The amendment of Mr. Wolpe follows:]

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ICA91A093

{May 23, 1991}

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY MR. WOLPE

Page 610, beginning in line 21, strike out "certifies to the appropriate congressional committees that" and insert in lieu thereof "considers whether

Page 610, line 24, after "elections" insert the following:

- 1 , or the government of that country is committed to
- 2 respecting internationally recognized human rights and to
- 3 permitting freedom of expression and has achieved substantial
- 4 progress in a process of democratization

Page 611, after line 7, insert the following:

- 5 If international military education and training is provided
- 6 to a country in sub-Saharan Africa which does not meet all
- 7 the criteria referred to in paragraphs (1) through (3), the
- 8 President shall, within 30 days after obligating funds for
- 9 such assistance to that country, submit to the appropriate
- 10 congressional committees a report setting forth the reasons
- 11 for providing such assistance.

Chairman FASCELL. The Chair recognizes Mr. Wolpe.

Mr. WOLPE. Thank you, Mr. Chairman.

This amendment which has been worked out in consultation with Mr. Burton, the distinguished Ranking Member of the committee, makes two alterations in the original language of the subcommittee recommendations.

First of all, we specify a series of standards in that section that should be adhered to with respect to the offering of IMET assistance to certain countries. One of those standards identify the holding of free elections.

We have modified the language of that particular condition in this amendment by indicating the government is committed to support of human rights and free expression and achieving substantial progress in the process of democratization and they would be in line to receive the IMET assistance. So, the standards are modified somewhat.

The second change is to alter the requirement in the initial language that the administration certify to the Congress that a country that was to be a recipient of IMET assistance had, in effect, met all conditions spelled out in this section.

The argument has been advanced that that would be overly restrictive. What we have done in response to that concern is simply remove the certification requirement, but to say that any country that is to be a recipient of IMET assistance in Africa that does not, in fact, meet one or more of the conditions specified under law, that the Administration would be required to at least submit a report to the Congress spelling out that reason or reasons why it is going forward with the IMET assistance notwithstanding the failure of that country to meet the specified conditions. So it is this reporting that is added to the required certification.

I hope it will have support of the Members of Congress.

I am pleased to yield to Mr. Burton for this comment on the amendment.

Chairman FASCELL. Mr. Burton.

Mr. BURTON. Thank you, Mr. Chairman.

The gentleman from Michigan and I, along with the assistance of Mr. Solarz and others and the Chairman of the subcommittee, Mr. Dymally, have worked out a compromise and like most compromises, it is not totally acceptable to anyone but it is somewhere in the middle and we can live with it, so I support it and I hope the committee will support it as well.

VOTE ON THE WOLPE AMENDMENT

Chairman FASCELL. Is there further discussion?

If not, the question is on agreeing to the Wolpe amendment.

All in favor signify by saying aye.

Opposed, no.

The ayes have it. The amendment is agreed to.

Mr. Burton.

BURTON AMENDMENT—RESTRICTIONS ON ASSISTANCE TO ORGANIZATIONS LINKED TO SOUTH AFRICAN COMMUNIST PARTY

Mr. BURTON. Thank you, Mr. Chairman.

Mr. Chairman, I have an amendment at the desk.

Chairman FASCELL. Which page, Mr. Burton?

Mr. BURTON. Page 591 after line 4.

Chairman FASCELL. 591, Burton amendment. The clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Burton. Page 591 after line 5.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with. It will be printed in the record in full and open for amendment and discussion.

[The amendment follows:]

ICA91A045

[May 9, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91
OFFERED BY MR. BURTON OF INDIANA

Page 591, after line 4, insert the following:

- 1 (c) LIMITATION ON ASSISTANCE.--Assistance for any fiscal
2 year under the Foreign Assistance Act of 1961, including
3 assistance with funds appropriated before the date of
4 enactment of this Act, may not be delivered to any
5 organization or institution in South Africa which--
6 (1) is formally linked to the Communist Party of
7 South Africa;
8 (2) is engaged in violations of internationally
9 recognized human rights, including the unlawful detention
10 of individuals; or
11 (3) does not have in place democratic processes for
12 internal decisionmaking and the selection of leaders.
13 This subsection does not prevent the provision of training,
14 instruction, or education in democratic processes for
15 individual members of an organization or institution that is
16 ineligible for assistance under this subsection.

Chairman FASCELL. Mr. Burton.

Mr. BURTON. Mr. Chairman, following on the heels of the compromise we adopted just now, this will be a little more controversial but it is an amendment that needs to be discussed nevertheless. Although the Cold War has ended, we still have a very, very strong difference with the socialist or communist philosophy of the Soviet Union and those who subscribe to that philosophy. We are very concerned about stability in the southeastern regions of Africa.

These regions are very important to the United States of America in that we get approximately 11 minerals that are absolutely essential to our military preparedness and economic health from that region. So anything that would be a destabilizing factor is something that we should look at with a great deal of concern and consternation.

Towards that end, I have offered this amendment. It says assistance for any fiscal year under the Foreign Assistance Act of 1961, including assistance with funds appropriated before the date of enactment of this act may not be delivered to any organization or institution in South Africa which is, one, formally linked to the communist part of South Africa; two, is engaged in violations of internationally recognized human rights, including the unlawful detention of individuals; or, three, does not have in place democratic processes for internal decision-making and the selection of leaders. This subsection does not prevent the provisions of training, instruction, or education in democratic processes for individual members of an organization or institution that is ineligible for assistance under this subsection.

I think this amendment is self-explanatory, Mr. Chairman, and I urge its adoption.

Chairman FASCELL. Is there discussion on this amendment?

Mr. Wolpe.

Mr. WOLPE. Mr. Chairman, thank you.

This is very similar to amendments Mr. Burton has offered in the past. I think it tracks the concern he has expressed on other occasions of the alliance that has been a part of the—between the African National Congress in South Africa and the Communist Party of South Africa.

As a number of us have indicated on many other occasions, this amendment would be very counterproductive because the African National Congress has made every effort it can to establish, clearly notwithstanding its alliance, its independence from the Communist Party. It is nonetheless sensitive to efforts of trying to dictate its own internal policy, particularly in the fight against apartheid, coalitions have been established out of need.

ANC leaders have pointed out to Members of Congress on some occasions that during the Second World War, it was—we who recognized the scourge of Nazism was such a terrible enemy that it required that kind of alliance and coalition of self-interest.

That is the way in which the coalition and alliance is understood in South Africa. To continue to harp on this particular theme is only going to further alienate the very people we are attempting to work with on a very constructive basis and I think it would simply be counterproductive to the process of peaceful transition to nonra-

cial democratic society in South Africa and our relationship to the liberation movements themselves.

Mr. BURTON. Would the gentleman yield?

Mr. WOLFE. I would be pleased to yield.

Mr. BURTON. I did not single out the African National Congress although they are one of the groups that would probably qualify for consideration under this amendment or nonconsideration.

We are talking about any organization that is strongly tied to the South African Communist Party or any communist movement there because we think it would be ultimately a destabilizing influence in that region.

If the Communist Party were to take over South Africa, there would be a nationalization of all industries and I think everybody knows that that would lead to, and these minerals and essential items that we have to have to survive as a Nation would be in jeopardy, not to mention the sailings that go around the Cape of Good Hope. So I know the Cold War appears to have ended now and we all hope that to be the case, but we have to look at uncertainties of the future as well.

For that reason, I think that it is extremely important that we not give financial support to any organization whose goal is contrary to that of the United States of America or United States of America's interests.

I thank the gentleman for yielding.

Mr. DYMALLY. Mr. Chairman.

Chairman FASCELL. Mr. Dymally.

Mr. DYMALLY. I would like to invite the Department of State to make their comments on this amendment, but before they do, I would like to make two or three brief points. One, Mr. Burton, the ANC is not linked to the Communist Party, the Communist Party is part of the broader coalition within the ANC. So there is no link to the Communist Party as such.

Mr. BURTON. Would the gentleman yield?

Mr. DYMALLY. Yes, indeed.

Mr. BURTON. Mr. Dymally, we had a report, I believe, from CIA or DIA several years ago that showed that at least 20 members of the 28 member board of directors of the ANC were in fact members of the South African Communist Party. So a majority, a majority of the board members of the ANC at least at that time, including the head of the superior of the nation, their military wing, was a member of the KGB. So the ANC does have a very, very strong tie to the South African Communist Party. That is not a matter of dispute.

Mr. DYMALLY. Beyond that, if we applied this amendment to Europe, we would have no relationship with Russia. We are singling out one country and one organization. That is number two.

Number three, Mr. Burton, if we applied number three to In-katha, they would be ineligible for funds because I am not so sure they have a democratic process for internal decision-making.

Having said that, I would like, Mr. Chairman, if I may, to invite the Department of State to render their opinion on this amendment.

ADMINISTRATION POSITION ON BURTON AMENDMENT

Chairman FASCELL. Is somebody from State here?

Mr. PECKHAM. Yes, Mr. Chairman.

Chairman FASCELL. Would you identify yourself for the record.

Mr. PECKHAM. Gardner Peckham, Deputy Assistant Secretary of State for Legislative Affairs.

Did you wish a comment on the amendment, sir?

Mr. DYMALLY. Yes, if you may.

Mr. PECKHAM. We have reservations about the amendment but let me first say that it is not the intention of the Department of State or indeed of the United States Government to in any way buttress the South African Communist Party.

We view the situation in South Africa as being a very fast-paced, fluid environment in which we want to have as much flexibility as possible in terms of being able to respond to changing events and circumstances there.

We have received in the past some somewhat conflicting signals from the Congress on how we should proceed in South Africa. As you know, there was a dire urgent supplemental appropriation of \$10 million to provide assistance to further democracy in South Africa. We are not able to proceed with that program at this point in time because of objections by several interested parties in Congress, and we, as I say, would have some reservations about this amendment because of the limitations on our ability to respond to changing events in South Africa.

Mr. BURTON. May I?

Chairman FASCELL. Mr. Burton.

Mr. WOLPE. Will the gentleman yield on that last question?

Mr. DYMALLY. Yes, I yield to Mr. Wolpe.

Mr. WOLPE. I thank you.

I just want to pursue the business of \$10 million.

Chairman FASCELL. I can't hear you. Would you suspend, I am interested in what you are saying. Okay, go ahead.

Mr. WOLPE. Thank you, Mr. Chairman.

This notion of there being conflicting signals from Congress when you have a few individual Members who say they are unhappy and the money is held up. That is a distortion. Congress passed that legislation. There was no conflicting signals in that regard.

Mr. PECKHAM. I understand that, Congressman, but as you know, there is a process by which we come to agreement in order to determine how we spend the money. That process has not come to fruition at this point.

Mr. WOLPE. That is the process that is of your making and choosing, I am afraid.

Mr. PECKHAM. Correct me if I am wrong, Mr. Chairman, but I believe that is a process that we have agreed upon over time.

Chairman FASCELL. Mr. Burton.

Mr. BURTON. It is a hold that has been put on by a number of Members of Congress because of a concern that at least \$10 million would go to the ANC, 40 percent of the money, and we are concerned about that money being used properly.

As I understand it, and I can't recall how many communist countries that we are giving direct aid to at the present time—can somebody at the State Department give me an answer to that?

Mr. PECKHAM. I can't give you that right off the top of my head. I am not sure.

Mr. BURTON. We are not giving aid to the Soviet Union. That was mentioned previously.

Well, I just would like to make the point that we certainly want to see democracy flourish in South Africa and we believe that all parties ought to be players, including the ANC in the final determination of the new constitution in that country.

We believe that Chief Buthelezi and the Zulu-Inkatha should be included. We believe that Nelson Mandella and the ANC should be included as well as every single segment of that society to be sure that they have a multiracial democracy and that they don't continue the kind of trend towards civil war that we have seen in the past few months and over the past year.

But after having said that, I think it is a step in the wrong direction for this country to give direct financial assistance to an organization that has ties to the Communist Party which I think ultimately would not have the best interests of the United States at heart because that system is so foreign to the free enterprise democratic system we have in this country.

Mr. PAYNE. Mr. Chairman.

Chairman FASCELL. Mr. Payne.

Mr. PAYNE. I certainly will disapprove of this amendment. When we keep talking about two, three, four years ago about this Communist Party situation, I think we are taking things out of the past. If you took a look at Czechoslovakia, Poland, four or five years ago, we would not have the same relationships, we would not have forgiven a \$900 million loan to Poland if the situation today was the same as it were four years ago.

I think that this old McCarthy-type witch-hunt of communists is just out of time, out of date, and we have had people who received assistance that gave them support from the white racism regime of South Africa and were given support and aid because no one else was doing that or it was not a very popular issue at that time.

But I think that when we look back and say 20 out of 28 members four years ago were associated with the Communist Party from the ANC, I think we are missing the boat.

We have a very serious problem in South Africa and I think the more assistance that can be given for democratization and getting this civil strife behind us is more important than looking for a communist or two somewhere in an organization.

Mr. BURTON. Would the gentleman yield?

Mr. PAYNE. Yes.

Mr. BURTON. I appreciate the gentleman yielding.

First of all, this is not a communist witch-hunt, ala, the McCarthy era. Mr. McCarthy was including people all the way up to the President of the United States being a communist and we are not talking about anything like that.

Just a few short weeks ago, Chris Haney, head of the military wing of the ANC, was brought to this country for touring and his entire experience was paid for by the United States or American

Communist Party. There is no question about the link between the ANC and the Communist Party.

But going into the last part of this legislation, this amendment would not preclude using these funds even for ANC members for training, instruction, or education in the democratic processes for individual members of an organization or institution ineligible for assistance under this subsection.

Mr. BURTON. So, we are not saying that no funds could be used by any member of the ANC. We are saying that no funds could be used for the organizational purposes for an organization that is tied to the Communist Party.

I thank the gentleman for yielding.

Chairman FASCELL. Is there further discussion? Mr. Hamilton.

Mr. HAMILTON. I wanted to ask Mr. Peckham a couple of questions. Are we giving any aid now to the ANC?

Mr. PECKHAM. Not at the present time.

Mr. HAMILTON. Are we seeking to give aid to the ANC?

Mr. PECKHAM. What has happened in the last year is that the dire urgent supplemental appropriation was enacted. This was for the current fiscal year. It was \$10 million for, broadly speaking, democratic initiatives in South Africa, supporting democratization in South Africa.

The administration made a proposal for how to spend that money, some of which would be designated for ANC and some designated for other groups in South Africa.

In the Congress, we have heard some objections from senior Members of Congress that we are still trying to work with in order to put the program in place. We have not been able to achieve that at this time.

Mr. HAMILTON. Is it your reading of this amendment that if it were adopted, you would not be able to do that?

Mr. PECKHAM. If you look at lines 13 through 16, I don't think it would prevent us from carrying out the program. It may require us to come forward with another Congressional notification in order to redefine the program, but I am not certain of that. We will have to take it back and look at it.

Mr. WOLPE. Will you yield?

Mr. HAMILTON. Yes.

Mr. WOLPE. There was, in fact, direct assistance for ANC for organizational purposes, and other organizations as well. This language would differentiate individuals from the organizations. So, my reading of this language is that it conceivably could, in fact, make it possible moving forward with that assistance. That is the concern.

Mr. HAMILTON. Perhaps I should ask the sponsor of the amendment, is it your intent to cut off the kind of thing Mr. Peckham was talking about?

Mr. BURTON. It is my intent to keep funds from going to the organization itself, any organization that is tied closely to the Communist Party in South Africa, to keep funds from going to daily operational measures. What I would like to see is lines 13 through 16 implemented where individuals from any organization who wasn't to be educated or work within a democratic framework to be trained in that direction, to be able to get funds for that purpose.

I would like to ask a question along these lines. Can the State Department tell us the percentage of the \$10 million that they tend to allocate to the ANC in the initial outlay?

Mr. PECKHAM. Of the \$10 million, it is my understanding that approximately \$4.5 million of that was to be for infrastructure purposes, some of which would have been for the ANC, some of which would have been for Inkatha, and perhaps other infrastructure also, but I think the total is something in the order of half.

VOTE ON THE BURTON AMENDMENT

Chairman FASCELL. Is there further discussion? If not, the question is on agreeing to the Burton amendment. All in favor, signify by saying aye.

Opposed, no.

It appears that the noes have it. The noes have it, and the amendment is not agreed to.

Are there further amendments to Title X? If not, that concludes Title X.

Mr. BURTON. Mr. Chairman.

U.S. POLICY TOWARD KENYA

Chairman FASCELL. Mr. Burton.

Mr. BURTON. I have a brief comment regarding Africa, Kenya. I am not going to propose an amendment on this, but the gentleman from Michigan put language in that I believe is harsh regarding Kenya. Kenya has problems but so does the rest of Africa. They are a loyal ally and there are some problems regarding human rights.

I would like to ask why the gentleman did not include language on Tanzania and Zambia? Both countries are dictatorships with pages and pages of human rights violations. I have the report from the State Department on Tanzania and Zambia. There is unbelievable human rights violations which were not mentioned by the gentleman from Michigan, as was Kenya.

I would like to read those from the report. One part, I state, political and extrajudicial killings, torture and other cruel and degrading treatment or punishment, denial of public trials, arbitrary interference with privacy, home and correspondence, discrimination based on race, sex, religion and social status.

I would ask the gentleman from Michigan, why are we singling out Kenya when these violations occur in many other countries, particularly these two, and I would point out Kenya was a loyal supporter of the United States during the war in the Gulf. They gave us support. They helped evacuate people from Somalia during the recent crisis there. They have recently taken in Libyan POWs.

But they have problems, but I would ask the gentleman from Michigan why they were singled out with such harsh language in the bill.

Mr. WOLPE. There is probably no country that in recent years has deteriorated more in terms of human rights than Kenya. After we started helping them, they went out and picked up political dissidents. Occasionally, they have released prisoners.

Other steps by the government of Kenya have taken the human rights situation in Kenya in the wrong direction. Africa Watch has received detailed testimony about torture of prisoners, threats and beatings, and the presence of an independent judiciary is a non-starter when it comes to discussions of Kenya.

Independent journalists are arrested in Kenya. Frankly, we continue to give more to Kenya, while they are moving in precisely the wrong direction.

Mr. BURTON. Well, I would like to say that if we are going to point out the deficiencies in the human rights violations in a country like Kenya, that has been an ally, why haven't we done the same for Tanzania? I just don't understand that.

Tanzania and Zambia have had these problems. Why did the gentleman from Michigan not include them in the language?

TITLE II

Chairman FASCELL. What we would like to do now is complete Title II. The Clerk will distribute the amendment on the arms transfer restraint policy. The Clerk will report the amendment.

[FASCELL AMENDMENT—ARMS TRANSFER RESTRAINT POLICY FOR THE MIDDLE EAST AND PERSIAN GULF]

Mr. BRADY. Amendment offered by Mr. Fascell.

Chairman FASCELL. Without objection, further reading of the amendment will be dispensed with. It will be printed in the record and open for amendment and discussion.

[The Fascell amendment follows:]

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[MAY 23, 1991]

AMENDMENT TO THE COMMITTEE PRINT DATED MAY 6, 1991

OFFERED BY MR. FASCELL

Page 163, after line 6, insert the following:

1 SEC. 242. ARMS TRANSFERS RESTRAINT POLICY FOR THE MIDDLE EAST

2 AND PERSIAN GULF REGION.

3 (a) FINDINGS.--The Congress finds that--

4 (1) nations in the Middle East and Persian Gulf
5 region, which accounted for over 40 percent of the
6 international trade in weapons and related equipment and
7 services during the decade of the 1980's, are the
8 principal market for the worldwide arms trade;

9 (2) regional instability, large financial resources,
10 and the desire of arms-supplying governments to gain
11 influence in the Middle East and Persian Gulf region,
12 contribute to a regional arms race;

13 (3) the continued proliferation of weapons and
14 related equipment and services contribute further to a
15 regional arms race in the Middle East and Persian Gulf
16 region that is politically, economically, and militarily
17 destabilizing;

18 (4) the continued proliferation of unconventional
19 weapons, including nuclear, biological, and chemical
20 weapons, as well as delivery systems associated with

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1 those weapons, poses an urgent threat to security and
2 stability in the Middle East and Persian Gulf region;

3 (5) the continued proliferation of ballistic missile
4 technologies and ballistic missile systems that are
5 capable of delivering conventional, nuclear, biological,
6 or chemical warheads undermines security and stability in
7 the Middle East and Persian Gulf region;

8 (6) future security and stability in the Middle East
9 and Persian Gulf region would be enhanced by establishing
10 a stable military balance among regional powers by
11 restraining and reducing both conventional and
12 unconventional weapons;

13 (7) security, stability, peace, and prosperity in the
14 Middle East and Persian Gulf region are vital to the
15 welfare of the international economy and to the national
16 security interests of the United States;

17 (8) future security and stability in the Middle East
18 and Persian Gulf region would be enhanced through the
19 development of a multilateral arms transfer and control
20 regime similar to those of the Nuclear Suppliers' Group,
21 the Missile Technology Control Regime, and the Australia
22 Chemical Weapons Suppliers Group;

23 (9) such a regime should be developed, implemented,
24 and agreed to through multilateral negotiations,
25 including under the auspices of the 5 permanent members

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1 of the United Nations Security Council;

2 (10) confidence-building arms control measures such
3 as the establishment of a centralized arms trade registry
4 at the United Nations, cooperative verification measures,
5 communications measures, advanced notification of
6 military exercises, information exchanges, on-site
7 inspections, and creation of a Middle East and Persian
8 Gulf Conflict Prevention Center, are necessary to
9 implement an effective multilateral arms transfer and
10 control regime; and

11 (11) such a regime should be applied to other regions
12 with the ultimate objective of achieving an effective
13 global arms transfer and control regime, implemented and
14 enforced through the United Nations Security Council.

15 (b) UNITED STATES POLICY REGARDING ARMS TRANSFERS TO THE
16 MIDDLE EAST AND PERSIAN GULF REGION.--Accordingly, it shall
17 be the policy of the United States to--

18 (1) only transfer defense articles and defense
19 services to those nations of the Middle East and Persian
20 Gulf region that have agreed that such articles and
21 services will be used only for the purposes specified in
22 section 3(c)(5) of the Defense Trade and Export Control
23 Act (as amended by the International Cooperation Act of
24 1991) and will not be used for military aggression or to
25 coerce or intimidate other nations;

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1 (2) only transfer defense articles and defense
2 services to nations of the Middle East and Persian Gulf
3 region after the United States has determined that such
4 transfers will not destabilize the military balance of
5 power within the region or contribute to the escalation
6 of the arms race within the region;

7 (3) only transfer defense articles and defense
8 services to those nations of the Middle East and Persian
9 Gulf region that--

10 (A) have expressed willingness or are actively
11 engaged in the process of negotiating peace
12 agreements of the Arab-Israeli dispute through direct
13 negotiations, and

14 (B) with respect to other conflicts in the
15 region, have expressed willingness or are actively
16 engaged in the process of negotiating peace
17 agreements; and

18 (4) only transfer defense articles and defense
19 services to nations in the Middle East and Persian Gulf
20 region when such defense articles and defense services
21 could credibly be used successfully for the defensive
22 mission that is the justification for the transfer.

23 (c) CONVENING OF CONFERENCE TO NEGOTIATE A MULTILATERAL
24 ARMS TRANSFER AND CONTROL REGIME.--As soon as practicable
25 after the date of enactment of this Act, the President shall

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1 seek negotiations among, and undertake good faith efforts to
2 convene a conference of, the five permanent members of the
3 United Nations Security Council and other nations as
4 appropriate, including members of the North Atlantic Treaty
5 Organization, former members of the Warsaw Pact, and other
6 nations selling military equipment and services, to establish
7 a comprehensive multilateral arms transfer and control regime
8 with respect to the Middle East and Persian Gulf region. The
9 purpose of this regime should be--

10 (1) to slow and limit the proliferation of
11 conventional weapons in nations in the Middle East and
12 Persian Gulf region;

13 (2) to halt the proliferation of unconventional
14 weapons, including nuclear, biological, and chemical
15 weapons, as well as delivery systems associated with
16 those weapons;

17 (3) to limit and halt the proliferation of ballistic
18 missile technologies and ballistic missile systems that
19 are capable of delivering conventional, nuclear,
20 biological, or chemical warheads;

21 (4) to maintain the military balance in the Middle
22 East and Persian Gulf region through reductions of
23 conventional weapons and the elimination of
24 unconventional weapons; and

25 (5) to promote regional arms control in the Middle

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1 East and Persian Gulf region.

2 (d) ARMS TRANSFER MORATORIUM.--

3 (1) ESTABLISHMENT.--Except as provided in paragraphs
4 (2) and (3), the United States Government shall not agree
5 to any transfers of major military equipment to any
6 nation in the Middle East and Persian Gulf region. This
7 moratorium is established to induce and encourage the
8 other permanent members of the United Nations Security
9 Council to join in this effort and also to induce and
10 encourage other members of the North Atlantic Treaty
11 Organization, former members of the Warsaw Pact, and
12 other major arms supplier nations to join in this effort.

13 (2) CONDITIONS FOR TERMINATION OF UNITED STATES
14 MORATORIUM.--The requirement of paragraph (1) for a
15 moratorium on United States arms transfers of major
16 military equipment to the Middle East and Persian Gulf
17 region shall cease to apply if the President submits to
18 the Committee on Foreign Relations of the Senate and the
19 Committee on Foreign Affairs of the House of
20 Representatives--

21 (A) a report stating that the President has
22 determined that there has been agreement by another
23 major arms supplier nation on or after May 21, 1991
24 to transfer any major military equipment to any
25 nation in the Middle East and Persian Gulf region;

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1 and

2 (B) the reports required by subsection (e)(1)(A)
3 and (B).

4 (3) EMERGENCY TRANSFERS.--Paragraph (1) does not
5 apply to any transfer of major military equipment that is
6 a necessary, emergency response to major and sustained
7 hostilities in the Middle East and Persian Gulf region or
8 to an imminent threat of such hostilities.

9 (4) MAJOR MILITARY EQUIPMENT.--As used in this
10 subsection, the term "major military equipment" means--

11 (A) air-to-air, air-to-surface, and surface-to-
12 surface missiles and rockets;

13 (B) turbine-powered military aircraft;

14 (C) attack helicopters;

15 (D) main battle tanks;

16 (E) submarines and major naval surface
17 combatants; and

18 (F) nuclear, biological, and chemical weapons.

19 (5) EXEMPTION OF REPLACEMENT EQUIPMENT.--Paragraph
20 (1) and paragraph (2)(A) do not apply with respect to
21 transfers which only involve the replacement on a one-for-
22 one basis of equipment of comparable quality that has
23 become inoperable after the date of enactment of this
24 Act.

25 (e) REPORTS TO CONGRESS.--

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1 (1) REPORT ON PLAN FOR MULTILATERAL REGIME.--As soon
2 as practicable after the date of enactment of this Act,
3 the President shall submit to the Committee on Foreign
4 Relations of the Senate and the Committee on Foreign
5 Affairs of the House of Representatives the following two
6 reports:

7 (A) A report setting forth a United States plan
8 for leading the world community in establishing a
9 multilateral regime to restrict transfers of
10 conventional and unconventional arms to the Middle
11 East.

12 (B) A report analyzing the feasibility of an arms
13 transfer and control regime among nations in the
14 Middle East and the potential elements of such
15 regime, including--

16 (i) the feasibility of opening for
17 ratification or accession by nations of the
18 Middle East and Persian Gulf region the Treaty
19 Between the United States of America and the
20 Union of Soviet Socialist Republics on the
21 Elimination of their Intermediate-Range and
22 Shorter-Range Missiles (done at Washington on
23 December 8, 1987), which bans all ground-launched
24 ballistic and cruise missiles having ranges
25 between 500 and 5,500 kilometers;

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1 (ii) what techniques used in the Treaty on
2 Conventional Armed Forces in Europe (done at
3 Paris on November 19, 1990) can be usefully
4 applied to regional arms control initiatives in
5 the Middle East and Persian Gulf region; and

6 (iii) whether the "Open Skies" regime under
7 consideration for countries in Europe and North
8 America can be usefully applied to the Middle
9 East and Persian Gulf region.

10 (2) REPORTS ON TRANSFERS AND REGIONAL BALANCE.--Not
11 later than October 1 of each year, beginning in the first
12 calendar year which begins after the date of enactment of
13 this Act, the President shall submit to the Committee on
14 Foreign Relations of the Senate and the Committee on
15 Foreign Affairs of the House of Representatives a
16 report--

17 (A) documenting all transfers of conventional and
18 unconventional arms to the Middle East over the
19 previous year and the previous 5 years, including
20 sources, types, and acquirers of weapons;

21 (B) analyzing the current military balance in the
22 region, including the effect on the balance of
23 transfers documented under subparagraph (A);

24 (C) describing the operation of any agreements
25 comprising the multilateral arms transfer and control.

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1 regime envisaged by this section; and

2 (D) identifying supplier nations that have
3 refused to participate in such a regime or that have
4 engaged in conduct that violates or undermines the
5 regime.

6 (f) EXISTING AGREEMENTS.--Subsections (b) and (d) do not
7 apply with respect to transfers of defense articles or
8 defense services pursuant to agreements entered into before
9 May 21, 1991.

Chairman FASCELL. Let me say that this amendment is the result of extensive discussions with several members of the committee on both sides of the aisle. Mr. Hamilton, Mr. Solarz, Mr. Levine, Mr. Berman, Mr. Gejdenson, and members of the minority have contributed to these deliberations with regard to U.S. and worldwide arms transfers to the Middle East and the Persian Gulf regions. We have built upon the compiled hearing records of both Subcommittees on Arms Control and on Europe and the Middle East.

So, we have had extensive discussions over a long period of time on this. The language in this amendment addresses what I believe all of us feel is a need for a multilateral control regime in both the Middle East and the Persian Gulf regions.

I think we can all also agree that nothing is to be served by an accelerated arms race in the Middle East. The situation there is sensitive enough as it is. So what this language does is seek to urge the United States to take the lead, as it did in Operation Desert Storm, in putting a multilateral coalition together to deal with this problem.

We call for an indefinite moratorium on U.S. sales to the Middle East and the Persian Gulf regions. The stipulation, of course, is that the U.S. moratorium ceases immediately at the time any other major arms supplier agrees to transfer major military equipment to any nation in the Middle East or the Persian Gulf.

The amendment provides the President with the necessary flexibility to end the moratorium any time a country agrees to sell arms to any nation in the Middle East. He will also issue a report to Congress on his efforts to develop a comprehensive multilateral arms transfer and control regime.

We know the difficulty that is involved. We have experienced difficulties not only in the bilateral talks with the Soviet Union, but the multilateral discussions on so many other matters, not the least of which was, of course, the recent chemical weapons regime.

But nevertheless, it seems that the United States, as a world leader, should continue to demonstrate its leadership and move forward with this policy initiative. If other countries are brave enough and willing enough to take up the challenge, then we ought to pursue it.

If they cannot or will not, I am afraid we will have to resort to other diplomacy. That is basically what this policy statement says. We believe it is a good one. I hope others will endorse it.

[Mr. Fascell's prepared statement follows:]

PREPARED STATEMENT OF HON. DANTE B. FASCELL

The committee now has before it an amendment dealing with many of our efforts to develop a realistic arms transfer restraint policy for the Middle East and the Persian Gulf regions. The amendment reflects a consensus of the several members of the committee including Mr. Hamilton, Mr. Solarz, Mr. Berman, Mr. Gejdenson, Mr. Levine, and members from the other side of the aisle, as well as that of the chair. This amendment was recommended to the committee by the Subcommittee on Arms Control, International Security and Science pursuant to its meeting on April 25, 1991.

At that time, the subcommittee members engaged in a lengthy discussion on what was then referred to as recommendation seventeen. While the subcommittee members expressed general agreement on the desirability and necessity of this concept, there was also a consensus of opinion that recommendation seventeen needed additional fine tuning so as to make it as acceptable as possible to as many members of the committee as was possible.

To achieve this end, the committee staff have been working in conjunction with the personal staff of members, as well as in informal consultations with representatives of the administration, and with members of the private sector in an effort to bring recommendation seventeen to

fruition. In this regard, the amendment that we now have before us serves just that purpose, and reflects the concerns that many of us have on this important issue.

The members will recall that the original May 6th discussion draft included language establishing, upon enactment, a temporary 120 day moratorium on new arms transfers to the Middle East and the Persian Gulf regions. Pursuant to that draft, our esteemed colleague-- Mr. Berman-- offered a proposal that required the President to submit a plan and a feasibility study on a prospective multilateral arms restraint regime. Mr. Berman's proposal also specified that after the 61st day of enactment, an indefinite moratorium on arms transfers would be imposed worldwide-- except for NATO-- until the President reports that he has undertaken "good faith efforts" to establish a multilateral restraint regime.

In an effort to preserve comity, the chair instructed committee staff to attempt to marry the May 6th discussion draft with that of Mr. Berman's proposal. That draft specified that upon the date of enactment, a temporary 120 moratorium on new arms transfers to the Middle East and Persian Gulf regions would be implemented, and that the President must report on his "good faith efforts" to develop a multilateral restraint regime.

That particular approach raised the concerns of several members of the committee, most notably with respect to the unilateral imposition of the 120 temporary moratorium on new arms transfers to the Middle East and the Persian Gulf. As a result, we have before us an amendment that preserves the concept of an indefinite moratorium that envisions the

construct of a multilateral control regime on new arms transfers to the Middle East and the Persian Gulf regions.

Nevertheless, the amendment also provides the President with the necessary authority to provide for the replacement of major military equipment on a one-for-one basis of comparable capability after such equipment has become inoperable. The amendment further provides the President with the flexibility to lift the moratorium at anytime after which the President reports that a major arms supplier nation has reached agreement to transfer any major military equipment to any nation in the Middle East and the Persian Gulf, and upon satisfying the reporting requirements on the President's "good faith efforts" in setting forth a U.S. plan in leading a multilateral control regime and on the feasibility of such a control regime.

At the same time, the amendment commits the United States to a policy of restraint on arms transfers to the Middle East and the Persian Gulf through the policy language contained in subsection (b) of the amendment. The amendment also commits the United States to multilateral negotiations among the five permanent members of the United Nations Security Council and other principal suppliers in an effort to establish a multilateral arms transfer and control regime toward the Middle East and the Persian Gulf.

It should also be noted that the amendment encourages direct negotiations among nations in both the Middle East and the Persian Gulf regions that are aimed at resolving the conflicts within those regions. Finally, the amendment in no way affects the status of the title of

pre-positioned U.S. stocks in the Middle East and the Persian Gulf region, nor does it affect the status of any drawdown agreements that have been reached on U.S. stocks that have been made prior to May 21, 1991. In this way, the amendment preserves past U.S. commitments and pre-positioning agreements.

As I have stated before, the amendment is aimed at jump starting an arms control process in the Middle East and the Persian Gulf through our flexible commitment to a multilateral moratorium on new arms transfers and our call for negotiations on a multilateral arms transfer and control regime. At the same time the amendment is realistic in its approach by allowing the President to report to Congress on any new transfers of major military equipment, and in reporting to Congress on "good faith" U.S. efforts in establishing such a regime. Under these circumstances, the President could submit such reports and proceed in conducting United States arms transfers to the Middle East and the Persian Gulf consistent with current law.

While some may argue that current law has its flaws, the chair would only point out that United States law on the conduct of arms transfers sets rigorous standards. The committee rewrite maintains those standards, and improves upon Congressional oversight of those standards. In this regard, the amendment enhances and strengthens those standards as they apply to the process of arms transfers to the Middle East and the Persian Gulf. In this way, the amendment reaffirms Congressional leadership, commitment, and dedication to improving the prospects of arms control beyond that of just arms control among the superpowers.

We all know that this Congressional commitment and dedication to cause of arms control is often times ahead of the curve. And, we all know that Congressional leadership on the issue of arms control often times brings a reluctant executive branch along to the point where it is willing to explore Congressionally mandated arms control ideas. And, we know that this process takes time.

Nevertheless, the past is replete with examples of success in such endeavors. We all know that it was the Congress that was and remains wary of the potential of an arms race in space that would be caused by United States testing of Anti-Satellite weapons (ASAT's). To this end, Congress mandated a suspension of the U.S. testing program-- a unilateral moratorium if you will-- that has resulted in a mutual, U.S.-Soviet commitment to refrain from such testing. As a result, we have avoided a costly and destabilizing arms race in space.

We all know that it was Congress that set the tone on present improvement of the status of the U.S.-Soviet posture on nuclear testing. In this regard, it was the Congress that passed an amendment in the Senate, and a Joint Resolution in the House that called upon the President to submit the Threshold Test Ban (TTB) and Peaceful Nuclear Explosions (PNE) Treaties to the Senate for ratification, as well as to call upon the President to seek negotiations on the conclusion of a Comprehensive Test Ban Treaty (CTBT). This effort was opposed by many in the executive branch but the fact remains today that the TTB and PNE Treaties have been ratified, and that the United States and the Soviet Union are exploring step-by-step process toward a CTB, including a partial test ban amendment conference that took place in January of this year.

Finally, we all know that it was Congress that opposed United States production of binary chemical munitions and urged the complete destruction of all U.S. chemical munition stockpiles. Those initiatives were also questioned by many in the executive, including the President himself when as Vice President on two occasions he cast his vote in order to break a tie in the Senate vote to allow binary production. Nevertheless, it is the President last week, who has exerted great leadership and statesmanship taking unilateral steps which have resulted in bilateral agreement to destroy all U.S. and Soviet chemical weapons, thereby enhancing the prospects for multilateral commitment and agreement on the production, use, stockpiling, possession and transfer of chemical weapons.

Thus, it is the hope of this amendment to bring greater United States reason, vision and leadership through Congressional dedication and commitment to furthering the cause of arms control in the Middle East and the Persian Gulf. This jump start is yet another example of our taking a small step in the right direction. It is a step in which we hope others will follow. It is a step that will, hopefully lead to the furtherance of the peace process in one of the most, if not the most, troubling areas of the world.

Chairman FASCELL. Mr. Hamilton.

Mr. HAMILTON. The Chair was very generous in allocating credit. The fact of the matter is that this is the Fascell amendment. The chairman really deserves high praise for the manner in which he has put it together.

It is an involved, complicated kind of amendment. I want to express my appreciation to you for your singular leadership in putting it together. I will not make any further comments except to say that, as you have said, this amendment represents American leadership on arms control in the Middle East. It is a remarkable effort, I think, and an important one for that area of the world now.

I thank the gentleman for his leadership. I certainly support the amendment.

Chairman FASCELL. Thank you very much.

Mr. Lagomarsino.

Mr. LAGOMARSINO. I understand the administration has not yet had a chance to look at this. I understand Secretary Baker today is delivering to the President his recommendations on this very subject.

So, I would hope that this process would remain open, as it would, anyway. But I do have a couple of questions.

Chairman FASCELL. First, let me assure the gentleman, we have been working not only with the minority but with the administration on this matter for the last several weeks, and we will continue that process.

Mr. LAGOMARSINO. On page 4(b)(3), there is a provision allowing for arms transfer only to countries that have expressed willingness or are actively engaged in the process of negotiating peace. How would that treat the situation where apparently the Saudis and Kuwaitis and the people in the Emirates, Oman, have agreed to negotiate or at least to be involved in the process as part of the Gulf Coordination Council, but not individually?

Would this exclude them or would this fall within the purview of 3(b)?

Mr. HAMILTON. Would the gentleman yield?

Mr. LAGOMARSINO. Yes.

Mr. HAMILTON. The gentleman is referring to a section that sets out U.S. policy with respect to arms transfer to the region. It says that the policy of the U.S. Government should be to transfer defense articles to those nations in the region that, in paragraph A, have expressed a willingness to proceed on the peace process, that is, the Arab-Israeli negotiation, through direct negotiations, which of course is U.S. policy.

Paragraph B just picks up the possibility that with respect to other conflicts in the region, thinking now specifically about the Gulf, parties must express a willingness to participate in peace process or peace agreements there. If they do not, they would not be eligible for transfer of defense weapons.

Chairman FASCELL. What that does basically is preserve the option of proceeding with other arrangements.

Mr. HAMILTON. I think the gentleman specifically raised the question about the Gulf.

Mr. LAGOMARSINO. Yes, because as I understand it, Saudi Arabia and all the Gulf Council states have agreed to participate as an observer.

Mr. HAMILTON. It would certainly encompass the Gulf Cooperation Council.

Mr. LAGOMARSINO. I understand that, but would the arrangements they agreed to meet the requirements of this section, sir?

Mr. HAMILTON. I think so. The answer is yes.

Mr. LAGOMARSINO. I guess you could raise the same concern on the other side. The provision also applies to Israel. Would it require them to negotiate with the PLO?

Mr. HAMILTON. No, it doesn't change policy in any respect.

Mr. LAGOMARSINO. Then, I guess, Mr. Chairman, and you mentioned this in your statement, on page 6, you mentioned the state of the moratorium on arms transfers would end if the President reports to Congress that there has been an agreement by another major arms supplier on or after.

What evidence would the President have to show to establish that an agreement has occurred?

Chairman FASCELL. It is subjective. It is a Presidential judgment. He has total flexibility to make that determination.

Mr. LAGOMARSINO. Another question would be, how is "major" defined there?

Chairman FASCELL. What constitutes major military equipment is defined and listed on page 7 of the amendment, lines 9 through 18.

Mr. LAGOMARSINO. That refers to major equipment. What about major suppliers?

Chairman FASCELL. That definition is again subjective. It is up to the President to make that determination.

Mr. Dymally.

Mr. DYMALLY. Mr. Chairman, I want to commend you not only for this policy statement, but particularly page 3, line 7 and 8. You have included there the Middle East and Persian Gulf Conflict Prevention Center. In Title X of the amendment you just adopted, we have a similar proposal for a Conflict Resolution Center.

It seems to me that ought to be the trend. We ought to be encouraging regions to resolve their own conflicts rather than bringing the big powers to decide them. I hope the administration will support this policy. Beyond this, next year we ought to work this policy statement over and apply it to Africa.

Hopefully, other parts of the world will begin to focus attention on the conflicts we have, and decrease arms sales.

Chairman FASCELL. I thank the gentleman for his observation. I certainly agree that members of a particular region have the primary responsibility to settle their disputes.

Let me yield to Mr. Berman, who authored a bill in on this subject which served as a basis for what is now before us. I want to thank him for his cooperation and his leadership. I am happy to yield to him.

Mr. BERMAN. Thank you, Mr. Chairman. You are too kind.

This proposal does reflect, I think, your melding of a number of different proposals into what I think is really an excellent statement. You know, one has heard statements from this Administra-

tion that recognize what I think is the compelling importance of trying to establish some restraint with respect to arms transfers into this region.

We have also heard statements from people within the administration which have tended to diminish the importance and, in fact, have directly challenged the notion that arms restraint in the Middle East is a contribution to stability in the Middle East.

That latter view, to me, defies logic. It defies history, and very recent history at that. But for your leadership in making sure the Administration knows that Congress comes down on the side of those who recognize the importance of arms control, arms restraint in the Middle East, and are looking for imaginative ways to get this process going, I think you have done a fabulous job.

I want to commend you on what I hope will be the overwhelming committee support of this proposal. I wanted to make one request that has been discussed informally with staff. That, in the section dealing with the purpose of the regime that we are proposing be developed by the international arms suppliers in both conventional and unconventional weapons, as well as ballistic missile technology, that some of the language referred to in my earlier legislation be included as report language.

It develops, I think, with some specificity, a plan for exploring the utility of building on what many countries have already done with the MTCR, the IAEA, and the Australia Group and other regimes, and would require the executive branch to report on their actions in the pursuit of conventional arms control.

Chairman FASCELL. We would be delighted to include that language in the report. It complements what we are trying to do here.

Mr. BERMAN. Thank you.

Chairman FASCELL. Mr. Burton.

Mr. BURTON. On page 4(b)(2), the same questions apply to whether a given U.S. arms transfer, "the policy will not destabilize the military balance of power within the region." Does this approach formalize our commitment to maintain Israel's qualitative military edge, or cast down that commitment.

In other words, what is the nature of the military balance as their starting point?

Chairman FASCELL. Well, first of all, we do not change the present U.S. policy with respect to maintaining Israel's qualitative edge.

Mr. BURTON. I just wanted to have that stated clearly for the record. I think that is very important.

Mr. DYMALLY. Would you yield?

Mr. BURTON. I will be happy to yield.

Mr. DYMALLY. This is a myth. If we give the Israelis \$5 worth of arms, and say no to the Saudis, they go to China and buy \$10 worth. So, this notion of a qualitative edge may make us feel good, but it doesn't exist.

Mr. BURTON. I would take issue with that, because it was proven in the Persian Gulf War that our arms are very superior to others.

Mr. DYMALLY. That is a different subject.

Mr. BURTON. I am talking about qualitatively.

Mr. DYMALLY. It was not our qualitative edge, it was Israel's.

Chairman FASCELL. Mr. Berman.

Mr. BERMAN. As we try to insure Israel's qualitative advantage in the wake of purchases by other countries from other suppliers, there will be no end to this. In the end, there is no stability in this. This is a reasonable and, I think, well-thought-out effort to reverse that course. In the end, it is through restraint that we can protect Israel and enhance stability in the Middle East.

As the chairman said, it does not in any way seek to undermine that strategic notion regarding qualitative edge. It just says, "An unimpeded arms race is less likely to assure it than developing arms strength all over the Middle East.

Mr. BURTON. Thank you. I want to be sure that our commitment to Israel, which is so vital to the Middle East, that she is protected. This provision also applies.

On page 4(b)(3), this provision also applies to Israel, with respect to the Palestinians, with whom Israel must negotiate, the PLO, its delegates, who?

Chairman FASCELL. This policy statement does not address that issue at all.

Mr. BURTON. It says this provision allows for arms transfers only to countries that have expressed willingness or are actively engaged in the process of negotiating peace agreements with the Arab-Israeli dispute through direct negotiations.

Chairman FASCELL. That is the same question Mr. Lagomarsino asked. The answer is still the same. In other words, if other countries are not cooperating and have not expressed a willingness, that option is left open for the Secretary of State to deal with.

The PLO issue is left right where we found it. As Mr. Hamilton said, it doesn't change policy in any respect. So, basically, we are right back to the fundamental issue, Mr. Burton, which means that we are trying to replace the arms race with an arms restraint policy, and we think that is totally complementary to what the administration and the Secretary of State are trying to do.

Mr. BURTON. Thank you, Mr. Chairman.

Chairman FASCELL. Is there further discussion; if not, the question is on agreeing to the amendment. Mr. Goss, I am sorry.

Mr. Goss. Mr. Chairman, I only had a small technical question on page 10, line 9. The effective date of May 21, 1991 is put in here on the moratorium question. I wonder if that doesn't leave a little bit of a cloud on anything that might happen between May 21 and the effective date of this legislation?

I don't know if there is a reason why May 21 was picked. If there is, I would like to be enlightened. If not, I am surprised why we are not using the effective date of the Act.

Chairman FASCELL. We will have to resolve that in conference. It is an arbitrary date, obviously. We are just trying to put everybody on notice.

Mr. Goss. If it is a question of putting them on notice, I understand that from this point forward. I think that is a good step. What I am worried about is what that is going to do in terms of potential recriminations if anything happens between May 21 and the date this law goes into effect.

Chairman FASCELL. We don't know of any legal obligation that it be changed, and it will not until the law is effective. We will have to review that when we go to conference. It may be that the date

will have to be changed, either moved forward or made effective as of the date of the Act or some other date.

I really cannot tell you at this point.

Mr. Goss. Thank you, Mr. Chairman.

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. Is there further discussion with regard to the amendment? If not, the question is on agreeing to the amendment. All those in favor, signify by saying aye.

Opposed, no.

The ayes have it. The amendment is agreed to.

We ran a little late. Let's try to reconvene one hour from now. That closes out Title II. The committee stands in recess until 1:45. [Whereupon, at 12:45 p.m., the committee recessed, to reconvene at 1:45 p.m., the same day.]

AFTERNOON SESSION

TITLE VI

KOSTMAYER AMENDMENT—PROHIBITION ON ASSISTANCE TO COUNTRIES WHICH SELL ARMS TO STATES SUPPORTING TERRORISM

Chairman FASCELL. The committee will come to order.

When we rose, we were in the process of considering completion of Title VI and the Kostmayer amendment, which I understand has been rewritten.

The Clerk will read the amendment.

Mr. BRADY. Amendment offered by Mr. Kostmayer.

Chairman FASCELL. Without objection, further reading of the amendment is dispensed with. It will appear in full. It is open for discussion.

[The Kostmayer amendment follows:]

AMENDMENT TO COMMITTEE PRINT OFFERED BY MR. KOSTMAYER

On page 320, after line 14, insert the following:

"(7) COUNTRIES THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—A country which, under a contract entered into after the effective date set forth in section 1101 of the International Cooperation Act of 1991, provides lethal military equipment to a country, the government of which the Secretary of State has determined for purposes of section 6(j) of the Export Administration Act of 1979, is a terrorist government, except that the prohibition under this paragraph with respect to a country shall terminate 12 months after that country ceases to provide such military equipment.

Mr. Kostmayer.

Mr. KOSTMAYER. I believe this has met with your approval. I think your staff has had a chance to look at it. We have revisited it. I think the staff of the gentleman from Indiana has looked at it. It is really quite simple.

It simply prohibits the U.S. from providing foreign assistance to countries which provide lethal weapons to terrorist states. I believe the Administration is still opposed to it. They can speak for themselves. But it has been modified.

It ought to be law. It is hard to believe, Mr. Chairman, that it is not law.

Chairman FASCELL. We will hear from the administration. Would you identify yourself?

Mr. MOSS. I am Frank Moss of the Office of Counterterrorism of the Department of State. We have a number of views on this.

Chairman FASCELL. Be sure you have the right one. I have a one-paragraph version.

Mr. MOSS. Right. Our basic points are these: One is existing U.S. policy is intended to try and change the behavior of states that sponsor terrorism. There are six states on that list now. We recognize that even though states have some legitimate national security means, this makes no differentiation between lethal military equipment and their ability to sponsor acts of terrorism and military equipment that may be necessary for their national security requirements.

Chairman FASCELL. Doesn't the administration make that judgment?

Mr. MOSS. It does as it applies to U.S. export sales, but this says any country, no matter what it provides to Iran, we would have to cut off U.S. assistance in accordance with this amendment.

Chairman FASCELL. Either do that or take Iran off the terrorist list.

Mr. MOSS. This is a disincentive to put countries on the terrorist list in the first place. Another consideration is what does this do to assistance we are providing to other countries without regard to how much is the sophistication and the ultimate end use.

Third, it would simply make it more difficult to track arms sales. You would see further reliance on middlemen, offshore transfers, everything would be done to disguise the producer from the ultimate user.

Chairman FASCELL. We would need to know what countries are now receiving arms from what countries.

Mr. MOSS. That is the intelligence question on how difficult it is to track that and all transfers.

Chairman FASCELL. Before we get through with this legislation, we will need to know.

Mr. MOSS. I will try to get that information for you.

Chairman FASCELL. Mr. Hyde.

Mr. HYDE. May I ask a question? What sort of aid does this foreclose? In other words, I am thinking of \$1.5 billion in agricultural credits which apparently the administration is going to give the Soviet Union. But the Soviet Union is one of the great arms merchants in the world.

Would this amendment forbid that credit to the Soviet Union?

Mr. MOSS. On first blush, I am not a lawyer, but it would appear to, because it would apply to anything in the foreign assistance bill.

Mr. HYDE. So here we have a really high stakes game where we are trying to influence the USSR to democratize, et cetera, et cetera, and to prevent starvation among some of their people, and at the same time, they are selling military equipment to client states like Syria, Iraq, Iran, Afghanistan, you name it.

This simple little amendment would put a wooden shoe in that machinery in a hurry, wouldn't it?

Mr. KOSTMAYER. If the gentleman will yield to me, agricultural credits are not covered under foreign assistance. It would not affect

them at all. It is astonishing to believe that a representative of the State Department would not know that.

Mr. HYDE. Excuse me, Mr. Kostmayer.

Mr. KOSTMAYER. At least Bill Mohrman knows about that.

Mr. HYDE. I wonder if we could have that list now, if that is available.

Mr. MOHRMAN. I am William Mohrman, Office of Legislative Counsel. The amendment Mr. Kostmayer offers would apply to any assistance under the Foreign Assistance Act. That includes development assistance, economic support funds, military assistance programs, and similar programs, including the Eastern Europe foreign assistance programs.

It would not apply to Public Law 480 programs. It also would not apply to the short-term credit programs the Commodity Credit Corporation carries out for exports of agricultural commodities. It would not apply to Export-Import Bank programs.

Mr. HYDE. Thank you, that was very helpful. I have no further questions.

Chairman FASCELL. Mr. Lagomarsino.

Mr. LAGOMARSINO. Would it have applied—I don't know about today—but would it have applied to Israel when they were furnishing arms to Iran?

Mr. MOHRMAN. If the amendment had been in effect a few years ago, it would have applied to Israel's foreign military sales assistance as well as their economic assistance.

Mr. LAGOMARSINO. As well as to us, I guess, since we were doing it.

Chairman FASCELL. Mr. Hyde.

Mr. HYDE. May I ask the State Department counsel if he agrees with the Legislative Counsel on the aid that would be proscribed under this amendment?

Chairman FASCELL. Would you identify yourself?

Mr. BUCHWALD. I am Todd Buchwald, with the Office of the Legal Adviser in the State Department. The way the amendment is worded, it appears to put the exporting country in the same situation as the terrorist country. When a country is a terrorist country, there are a series of prohibitions in other acts that kick in, including Export-Import Bank ineligibility. As another example, U.S. businessmen investing in such a country are ineligible for certain U.S. tax credits.

I think there are a whole series of prohibitions beyond ineligibility for foreign assistance.

Chairman FASCELL. Wait a minute. Unless the restrictive legislation that applies in other parts of the law specifically covers a country which has not been designated as a terrorist country, then it would not be effective.

Let's look at 318, line 22, it says, "except as provided in subsection (b), assistance under this Act may not be furnished to any of the following."

You can say, for all practical purposes, it has the same effect, but it would not be the same as designating an exporting country as being on the J list.

Mr. BUCHWALD. This paragraph would be the seventh in a list of paragraphs. It is worded differently than the first six. The first six

describe countries for which assistance would be prohibited. This seventh paragraph says that a country which provides military equipment is a terrorist government.

Chairman FASCELL. I think that the language you point out is a reference to the country which has been determined to be on the J list. If it were to refer back to the exporting country, then you would be right. We will ask Legislative Counsel to comment on that.

Do you see what the gentleman from the Legal Adviser's Office is talking about?

Ms. STROKOFF. The amendment would prohibit assistance to a country that provides military equipment to a country that the Secretary of State determines has a terrorist government.

Chairman FASCELL. He has raised a very important point.

Mr. KOSTMAYER. It is not intended to do that.

Chairman FASCELL. I know it is not intended to do that. But I don't think the language does what you intend. Mr. Buchwald, you put an exporting country and a terrorist country on the same list. The language is not intended to do that.

I want to be sure the record is clear on this point, that is all. I don't want to do anything until the lawyers agree.

Mr. Kostmayer.

Mr. KOSTMAYER. Twice appears the phrase, "a country," at the second line and then down at the fifth line. "Is a terrorist government" refers to the second, not to the first.

Chairman FASCELL. I understand that.

Mr. KOSTMAYER. I think the chairman is right. If there is some way we can remedy that.

Chairman FASCELL. You and I understand that, but the Legal Adviser's Office at the State Department doesn't, and he is the one going back to the Department to interpret it.

Mr. KOSTMAYER. That is not the intention of the amendment, obviously.

Chairman FASCELL. I thank the gentleman for the clarification. Now, we will await the lawyers.

Mr. BUCHWALD. We can fix the ambiguity by taking the words in the fourth line from the bottom, "is a terrorist government," and moving it two lines above that so that the language would then read, "a government which the Secretary of State has determined is a terrorist for purposes of section 6(j).

VOTE ON THE KOSTMAYER AMENDMENT

Chairman FASCELL. Are the lawyers all agreed? Without objection, that correction is made.

Now, the question occurs on the Kostmayer amendment. All those in favor, signify by saying aye.

All opposed, no.

The ayes have it. The amendment is agreed to. That closes out Title VI.

We are at the end of the bill. There are no more pending amendments. There is one technical amendment from Congressman Houghton on his private sector amendment that was agreed to. We

will include that without objection, because that amendment that Mr. Houghton offered was agreed to.

[The Houghton amendment follows:]

1751AM

TECHNICAL AMENDMENT
OFFERED BY MR. HOUGHTON

In section 1751 of the Foreign Assistance Act of 1961, as added by the amendment offered by Mr. Houghton--

(1) strike subsection (c)(2) (page 2, line 22 of the amendment through page 3, line 14) and redesignate succeeding paragraphs accordingly;

(2) on page 6, line 25 of the amendment, strike "(2)" and insert "(10)";

(3) on page 7, line 5 of the amendment, strike "fees and"; and

on page 7 of the amendment, add the following after line 25:

"(10) FEES.--

"(A) IN GENERAL.--A fee shall be charged for each guarantee and loan issued under this section in an amount to be determined by the President. In the event that the fee to be charged for such guarantees or loans is reduced, fees to be paid under existing contracts for such guarantees or loans (as the case may be) may be similarly reduced.

"(B) FINANCING ACCOUNT.--All fees collected under this paragraph shall be held in a financing account maintained in the Treasury of the United

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1751AM

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1 States. All funds in such account may be invested in
2 obligations of the United States. Any interest or
3 other receipts derived from such investments shall be
4 credited to such account.

5 (C) USE OF FEES.--Amounts in the financing
6 account maintained under subparagraph (B) shall be
7 available to offset the cost of guarantee obligations
8 and liabilities on loans issued under this section.

TITLE XI

FASCELL RECONCILIATION AMENDMENT

Chairman FASCELL. The subcommittee chairman has agreed to it. Now, we will take up our reconciliation amendment. At this point the bill exceeds our budget limit by \$271.2 million. This amendment brings us back to our limits. Here is the way we do that.

\$42.644 million comes out of the Enterprise for the Americas Initiative, which the chairman for the Western Hemisphere Subcommittee doesn't like. But it is being done because it is highly unlikely that all the agreements under the Initiative will be entered into prior to October 1.

Therefore, that money can safely go into the next fiscal year. His concern was, of course, that it would affect the ability to make contracts for the full amount in the first fiscal year. So, this \$42 million will be added to the fiscal year 1993 authorization for scoring purposes.

There will be \$228.556 million cut out of FMF, \$125 million from Turkey, and a little over \$100 million from Pakistan, reflecting committee action on both of those issues.

So, this is where we are. This takes us back to the budget level and puts us in compliance.

The Clerk will report the amendment.

Mr. INGRAM. Amendment offered by Mr. Fascell, as the following: At the end of Title XI—

Chairman FASCELL. Without objection, further reading of the record is dispensed with. It is printed in the record in full.

[The Fascell amendment follows:]

BUDAMEN

(May 23, 1991)

AMENDMENT TO THE COMMITTEE PRINT DATED 5/6/91

OFFERED BY MR. FASCELL

Add the following at the end of title XI:

1 SEC. 1104. REDUCTIONS TO COMPLY WITH BUDGET CEILINGS.

2 (a) REDUCTIONS FOR FISCAL YEAR 1992.--For fiscal year
3 1992, amounts otherwise authorized to be appropriated under
4 the Foreign Assistance Act of 1961--

5 (1) for foreign military financing are reduced by
6 \$228,556,000; and

7 (2) for the Enterprise for the Americas Initiative
8 are reduced by \$42,644,000.

9 (b) ADJUSTMENT FOR FISCAL YEAR 1993.--For fiscal year
10 1993, amounts otherwise authorized to be appropriated under
11 the Foreign Assistance Act of 1961 for the Enterprise for the
12 Americas Initiative are increased by \$42,644,000.

Chairman FASCELL. Is there any discussion? Mr. Broomfield.

Mr. BROOMFIELD. Mr. Chairman, I support your amendment. This amendment would make the authorization consistent with the President's request for 1992. I understand that this would result in \$125 million less for Turkey and a little over \$100 million less for Pakistan, which would be cut from foreign military financing.

The one reservation I have is the cut in funding for the Enterprise for the Americas Initiative. Reducing this program by \$46.2 million would seriously undermine its effectiveness.

Your amendment will make up for the cut in 1993, however, I think our colleges should support your amendment for these reasons.

Chairman FASCELL. I thank the gentleman for his comment.

Mr. Goss.

Mr. Goss. Thank you, Mr. Chairman. I realize the difficulty of the task of negotiation, and I realize very well the pragmatics and politics of this bill. But I have to enter a little protest on behalf of the Enterprise for America Initiative, because while I agree with you that the timing may be such that the deals may not be cut, it nevertheless, I think, sends a signal which we ought to be at pains to overcome. It is a wrong signal. It suggests the commitment is not as strong as the words have been on this program.

If we could find a way that the deals could be cut in this fiscal year, and we could go forward with the monies, that we could accommodate that. I realize at this late hour that is probably not possible.

You would ask me where I would get the money. I would get it from the Development Fund for Africa, because I am not sure they will be able to spend the rapid acceleration of funds that have been given to them, a significant increase, even those, there is great need there.

I am very sympathetic for that. I am not sure their readiness to spend the dollars is any more appropriate than the arguments that we have heard about the Enterprise for America Initiative.

Thank you for the time.

Chairman FASCELL. The only thing I can say to the gentleman's comments that what we will be doing is funding the entire program, though. It should not be misinterpreted anywhere that in some way we are trying to adversely affect that program. We don't see a need for putting all that money in escrow in the 1992 account.

We fully support the program. We fully fund the program.

Mr. Goss. Mr. Chairman, I think those words will do a lot to convince people that we mean business. Thank you.

VOTE ON THE FASCELL AMENDMENT

Chairman FASCELL. All those in favor of the amendment, signify by saying aye.

All those opposed, no.

The ayes have it. The amendment is agreed to.

We have completed action on the committee print. I will introduce a clean bill, reflecting all the action we have taken, and we will then meet on Wednesday to report the clean bill.

That completes work on the draft.

We are waiting right now for CBO to give us an estimate on the committee's action with regard to some scoring and whatever changes may be necessary because of that. We will make those changes depending on what CBO tells us.

I guess that is about it. If there are no other questions, let me thank everybody for working diligently to conclude this matter.

[Whereupon the committee proceeded to other business.]

**CONSIDERATION OF H.R. 2508 AND
CONSIDERATION OF H.R. 2474**

TUESDAY, JUNE 4, 1991

**HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.**

The committee met in open markup session at 10:17 a.m. in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. The committee will come to order to consider legislation which is a clean bill that has been introduced with regard to the Foreign Assistance Act, on which the committee has previously acted.

And so the question is on agreeing to H.R. 2508.

All those in favor of reporting the bill favorably signify by saying aye.

[Chorus of ayes.]

All those opposed no.

[Chorus of noes.]

The ayes have it and the bill is reported.

[Whereupon the committee proceeded to other business.]

I would just like to say before my ranking Republican has to leave that we are going to the Rules Committee shortly and we will ask for a rule on the foreign aid bill along the lines that we had the last time we considered the bill two years ago. Which is that we will have pre-printing of amendments with notification. We will have a time limit on the entire amending process. General debate will be about an hour. We will have eight hours on all amendments, and some other requirements in the rule to protect the right of the minority.

Thank you very much. The full committee stands adjourned and the subcommittees will resume their hearing.

[Whereupon, at 10:20 a.m., the committee was adjourned.]

APPENDIX 1

EMERGENCY SUPPLEMENTAL REQUEST FOR ASSISTANCE TO ISRAEL FOR FISCAL YEAR 1991

WEDNESDAY, MARCH 6, 1991

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met in open markup session at 11:42 a.m. in room 2172, Rayburn House Office Building, Hon. Dante B. Fascell (chairman) presiding.

Chairman FASCELL. The committee will come to order.

We meet this morning to consider legislation to authorize emergency supplemental assistance for Israel for fiscal year 1991 for additional costs incurred as a result of the Persian Gulf conflict.

This request came too late to include with the other emergency authorization bill for the State Department, which we took to the floor yesterday. Hence, we're handling it separately.

The letter in front of each member from the OMB Director, Mr. Darman, indicates that the executive branch is submitting this proposal to the Congress after reaching an agreement with the government of Israel on \$650 million in grant cash assistance to cover additional costs incurred as a result of the Gulf war. We are acting quickly here because the Appropriations Committee has marked up this request in their Omnibus Dire Emergency Supplemental Appropriation Bill for FY 1991, and an authorization is required before such funds could be expended. Therefore, I felt it was urgent for this committee to act on the authorization request, and Mr. Broomfield and I have agreed to take this up under unanimous consent as the first order of business tomorrow, before the Appropriations Committee measure is taken up. And we hope in that fashion to follow regular procedure, by enacting the necessary authorization prior to final appropriations actions.

Bill, do you want to make any comment at this point? If not, the Chair will recognize Mr. Hamilton, who is Chairman of the Subcommittee on the Middle East. The subcommittee just completed a hearing on this request. First, however, the Chief of Staff will report the bill.

Mr. BRADY. A bill to authorize emergency supplemental assistance for Israel for additional costs incurred as a result of the Persian Gulf conflict and for other purposes.

Chairman FASCELL. Without objection, further reading of the bill will be dispensed with and printed in the record in full.

[The bill follows:]

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[COMMITTEE PRINT]
March 5, 1991102d CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. FASCELL (for himself, _____) introduced the following bill, which was referred to the Committee on _____

To authorize emergency supplemental assistance for Israel for additional costs incurred as a result of the Persian Gulf conflict, and for other purposes.

- 1 Be it enacted by the Senate and House of Representatives
- 2 of the United States of America in Congress assembled,

WCNESF650

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Emergency Supplemental
3 Assistance for Israel Act of 1991".

4 SEC. 2. EMERGENCY ASSISTANCE FOR ISRAEL.

5 (a) AUTHORIZATION OF APPROPRIATIONS.--There are
6 authorized to be appropriated as emergency supplemental
7 appropriations for fiscal year 1991 for assistance under
8 chapter 4 of part II of the Foreign Assistance Act of 1961
9 (relating to the economic support fund) \$650,000,000 for
10 additional costs resulting from the conflict in the Persian
11 Gulf region.

12 (b) CASH GRANT FOR ISRAEL.--Funds appropriated pursuant
13 to the authorization contained in subsection (a) shall be
14 available only for assistance for Israel. Such assistance
15 shall be provided on a grant basis as a cash transfer. Funds
16 provided to Israel under this section may be used by Israel
17 for incremental costs associated with the conflict in the
18 Persian Gulf region without regard to section 531(e) of the
19 Foreign Assistance Act of 1961.

20 (c) DESIGNATION AS EMERGENCY FOR BUDGETARY
21 PURPOSES.--Funds authorized to be appropriated under this
22 section are designated emergency requirements pursuant to
23 section 251(b)(2)(D)(i) of the Balanced Budget and Emergency
24 Deficit Control Act of 1985.

Chairman FASCELL. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman. I commend you, Mr. Chairman, and Mr. Broomfield, for the manner in which you have handled this and brought it before the committee in such an expeditious way.

I think members are thoroughly familiar with the proposal. It is a simple \$650 million authorization of appropriation to the State of Israel, emergency assistance for Israel. It is a cash grant. Everyone on the committee I'm sure is familiar with the extraordinary and extra expenses that the State of Israel incurred because of the Gulf conflict. Unlike some of the other countries in the region, they are not getting the same kind of assistance.

Israel had extra expenses for mobilization, for preparedness, for civil defense, for extended alert over a period of time. And, of course, the country lost a great deal of economic activity while they were focused on the Gulf confrontation and crisis.

As the Chairman mentioned, this is an administration request and they support it. The amount actually was negotiated out by the administration with legislative leaders and the Israelis. And my understanding, Mr. Chairman, you can correct me if I'm wrong on that, is that this will come before the House tomorrow, not today. The appropriations, of course, will follow soon thereafter.

And so I urge the committee to approve the emergency supplemental assistance.

Chairman FASCELL. Mr. Broomfield.

Mr. BROOMFIELD. Mr. Chairman, I join you and Chairman Hamilton in the support of this resolution and ask permission to put my statement in the record.

Chairman FASCELL. Without objection, so ordered.

[The statement of Mr. Broomfield follows:]

PREPARED STATEMENT OF HON. WILLIAM S. BROOMFIELD

Mr. Chairman, yesterday the Appropriations Committee approved \$650 million in supplemental assistance for the State of Israel. The White House has indicated that the President will support this amount as emergency appropriations for Israel. Therefore, the expenditure will be permissible according to the budget agreement.

Israel has suffered in the Persian Gulf crisis despite the fact that they were never really a party to the war with Iraq. Because of the sadistic behavior of Saddam Hussein, Israel lost several lives, had hundreds injured, and endured tremendous property damage from Scud missiles fired by Iraq.

The \$650 million in supplemental assistance is intended to offset costs incurred by Israel during the Persian Gulf Conflict.

In providing this assistance to Israel, it is my hope that we are setting the stage for progress towards peace in the region. I urge my colleagues to support this bill.

Chairman FASCELL. Let me ask the Chairman of the subcommittee. Was there any discussion in your hearings on the balance of the package, or is that still under discussion?

Mr. HAMILTON. Well, I think it came up most directly, Mr. Chairman, with regard to the Patriot missiles that are deployed there. The response of the witnesses was that it simply has not been negotiated out yet. The value of those Patriot missiles is substantial, in the hundreds of millions of dollars. It is not a part of this package. It remains to be negotiated.

Chairman FASCELL. Thank you. Is there any further discussion or any question on the bill? If not, the question is on agreeing to the resolution. All those in favor, signify by saying aye.

[Chorus of ayes.]

All opposed, no.

[No response.]

The ayes have it. The resolution is agreed to. We will take it up, as you heard, under a unanimous consent request by agreement with the leadership tomorrow.

Thank you very much. There is no further business. The committee stands adjourned.

[Whereupon, at 11:50 a.m., the committee adjourned.]

APPENDIX 2

EMERGENCY SUPPLEMENTAL REQUEST FOR ASSISTANCE TO TURKEY FOR FISCAL YEAR 1991

TUESDAY, MARCH 19, 1991

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met in open markup session at 10 a.m. in room 2271, Rayburn House Office Building, Hon. Lee Hamilton presiding.

Mr. HAMILTON. The committee will come to order.

[Whereupon the committee proceeded to other business.]

Mr. HAMILTON. The next item of business is a draft bill to authorize emergency supplemental assistance for Turkey for additional costs incurred as a result of the Persian Gulf conflict.

I think members understand that \$200 million has been added to provide for these costs to the Republic of Turkey.

This is an authorization bill which, in effect, approves what the Appropriations Committee has done in the Senate.

The chief of staff will report the bill.

Mr. BRADY. A bill to authorize emergency supplemental assistance for Turkey—

Mr. HAMILTON. Without objection, the bill will be considered as read, and printed in the record in full.

[The bill follows:]

WCM38F200

MLC

[March 18, 1991]

102^d CONGRESS
1st SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. FASCELL (for himself,
introduced the following bill; which was referred to the
Committee on _____

A BILL

To authorize emergency supplemental assistance for Turkey for additional costs incurred as a result of the Persian Gulf conflict.

- 1 *Be it enacted by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*

101-2000-2-0101-0000

WCNESF200

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Emergency Supplemental
3 Assistance for Turkey Act of 1991".

4 SEC. 2. EMERGENCY ASSISTANCE FOR TURKEY.

5 (a) AUTHORIZATION OF APPROPRIATIONS.--There are
6 authorized to be appropriated as emergency supplemental
7 appropriations for fiscal year 1991 for assistance under
8 chapter 4 of part II of the Foreign Assistance Act of 1961
9 (relating to the economic support fund) \$200,000,000 for
10 additional costs resulting from the conflict in the Persian
11 Gulf region, in addition to the amount authorized by the
12 Emergency Supplemental Assistance for Israel Act of 1991.

13 (b) CASH GRANT FOR TURKEY.--Funds appropriated pursuant
14 to the authorization contained in subsection (a) shall be
15 available only for assistance for Turkey. Such assistance
16 shall be provided on a grant basis as a cash transfer. Funds
17 provided to Turkey under this section may be used by Turkey
18 for incremental costs associated with the conflict in the
19 Persian Gulf region, ~~without regard to section 551(a) of the~~
20 ~~Foreign Assistance Act of 1961.~~

21 (c) DESIGNATION AS EMERGENCY FOR BUDGETARY
22 PURPOSES.--Funds authorized to be appropriated under this
23 section are designated emergency requirements pursuant to
24 section 251(b)(2)(D)(i) of the Balanced Budget and Emergency
25 Deficit Control Act of 1985.

Mr. HAMILTON. The Chair will entertain a motion.

Mr. GEJDENSON. Mr. Chairman.

Mr. HAMILTON. Mr. Gejdenson.

Mr. GEJDENSON. I move passage of the bill.

Mr. HAMILTON. All in favor say, "aye."

[Chorus of ayes.]

Mr. HAMILTON. Those opposed, "no."

[No response.]

Mr. HAMILTON. The "ayes" have it.

The bill is reported.

Mr. GEJDENSON. Thank you, Mr. Chairman.

Mr. HAMILTON. That concludes the business of the committee and the committee stands adjourned.

[Whereupon, at 12:45 p.m., the committee was adjourned.]

APPENDIX 3

الكويت

EMBASSY OF THE STATE OF KUWAIT
2940 TILDEN STREET, N.W.
WASHINGTON, D.C. 20008



سفارة دولة الكويت
واشنطن

PRESS RELEASE

May 22, 1991

For Immediate Release

Pursuant to what has been reported in the Media regarding official and non-official reactions to the on-going trials in Kuwait for a number of people accused of collaborating with the Iraqi occupation forces, the Minister of State for Cabinet Affairs Mr. Dhari Al-Othman made the following statement:

1. The Government of Kuwait reiterates its commitment to the rule of law and its unequivocal belief in human rights regardless of race, citizenship, or belief. It follows, therefore, that all measures against the accused were taken with full consideration of the rights of the defendants as specified under the due process of law.
2. The principle to which Kuwait is committed and which is reaffirmed in the Constitution and the Sharia is that a defendant is presumed innocent until proven guilty. Kuwait's commitment to this rule of law in all matters of jurisprudence before the Iraqi occupation has won our country worldwide respect of agencies and organizations concerned with human rights.
3. The trials currently taking place are conducted publicly within the framework of the law and provide all the necessary and sufficient legal rights to the defendants, within the supreme independence of the Judiciary system.
4. Unfortunately, some members of the press have deliberately attempted to misrepresent and distort the truth by failing to mention the numerous acquittals handed down for some of the accused and failed to include in their reporting the other counts in the indictments. Instead, they chose to concentrate solely on the convictions and focus on specific charges, with the intention of spreading doubts on the justness of these trials.

5. The State of Kuwait was subjected to a brutal Iraqi occupation in which the occupier inflicted against the peaceful people of Kuwait unprecedented means of torture and total violations of human rights. Despite the bitterness the people of Kuwait feel towards that heinous occupation, they nevertheless did not forget or forsake the forgiving nature of their religion, principles, ideals, or laws, all of which insist that no one may be arraigned except under circumstances specified by the law. Furthermore, no man shall be judged for the crimes of others.

6. While the State of Kuwait reaffirms its stand, identical with those of its friends regarding the importance of making available the basic and necessary legal rights extended to those accused, it expresses its thanks and appreciation for their support and their recognition of its legitimate right to try anyone of the accused before the Kuwaiti Judicial system.

Finally, Kuwait, which has become a model of international cooperation in the defence of legitimacy, truth, and justice, will become once again a secure and peaceful home to anyone of any nationality who wishes to reside in its territory.

