

air tight" to be able to use a system that floods the space with a gas to extinguish an out-of-control blaze. This is certainly true in the case of inland tow boats.

Tug boats designed for ocean service such as the *Scandia*, if they are operated in a prudent and seamanlike manner, do have the requisite water and air tightness to use a fixed flooding fire suppression system to good advantage. Congress specifically required that the proposed regulations account for the variations within the commercial towing fleet.

My preference was to simply mandate a fire suppression system for ocean-going tugboats in this year's Coast Guard bill. After hearing the concerns raised by the Coast Guard and colleagues on the Commerce Committee, I will not pursue fire suppression changes this year. I look forward to the Coast Guard's new proposal on fire suppression, which is due for publication in January 1999. I expect it will be a marked improvement over the flawed October 1997 proposal.

In closing, I again thank my colleagues on the Commerce Committee for accommodating my concerns on this issue. I also want to thank the Coast Guard. They could have waited until section 311 became law before starting on the regional regulations. Instead, the Coast Guard, by proposing the regional regulations this very day, has accelerated the date when the Northeast will have the protection it deserves. Finally, I thank my longtime collaborator on oil spill issues, Senator JOSEPH LIEBERMAN of Connecticut, for his steadfast support in this effort.

DARE NOT SPURN RUSSIA

Mr. MOYNIHAN. Mr. President, the news from Russia remains grim. The Times reported on Saturday:

Rocked by its worst harvest in 45 years and a plummeting ruble, Russia appealed today for relief aid from the European Union. It has also approached the United States and Canada for help.

Clearly Russia is in a perilous—once could say dangerous—state. The grain harvest is down almost 40 percent primarily because of a summer drought in the Volga River and Ural regions. And the financial crisis in Russia has only added to the problems. For example the Times also reports that because payment has not been made "15 ships full of American frozen poultry have delayed unloading their cargo."

What to do? For starters let's not repeat the mistakes of the past. Following the defeat of Germany in World War I, we failed to provide aid to the Weimar Republic as it attempted to sustain a democratic government. The resulting Nazi reign of terror was both devastating and unspeakable.

By contrast, following the defeat of the Nazis in World War II, we adopted the Marshall Plan to rebuild a democratic Germany. From 1948 to 1952, the

United States gave almost \$3 billion a year to fund the Marshall Plan. A comparable contribution in round numbers, given the current size of the United States economy, would be about \$100 billion a year for five years.

Recognize that Russia, no less than Nazi Germany, is a defeated nation—the latter on the military battlefield, the former on the economic battlefield. To keep Russia on the road to democracy and economic reform will require economic aid perhaps on the scale of the Marshall Plan. When you consider what we have been through, a post cold war Marshall Plan does not seem excessive. Particularly since we were able to fund the Marshall Plan at the same time we were threatened by an empire that subscribed to the view that eventually the entire world would succumb to communism.

The singular truth is that we were utterly unprepared for the collapse of the Soviet Union. During the 1980s we began a defense build up which resulted in the largest debt the United States has ever known. When the Soviet Union did collapse, we felt broke and unable to launch the kind of economic assistance that we were able to do after World War II.

While we have provided some assistance, it falls far short of Russia's needs and lacks a coherent plan. Such a plan would include technical assistance on tax collections, operations of banks and stock exchanges, protection of property and individual rights to name just a few areas that a country with little or no experience with democracy and free markets might find helpful. Let me emphasize: without real short- and long-term financial assistance none of this technical assistance will be effective or, indeed, welcome.

But the United States cannot do it alone. What would make the countries of Central and Eastern Europe more secure than any military alliance would be membership in the European Union. Unfortunately, our Western European allies have not embraced their eastern neighbors in this way.

Ambassador Richard Holbrooke has explained that to a certain extent, expanding NATO served as a surrogate for EU enlargement. Roger Cohen reports Ambassador Holbrooke's remark in the International Herald Tribune:

Almost a decade has gone by since the Berlin Wall fell and, instead of reaching out to Central Europe, the European Union turned toward a bizarre search for a common currency. So NATO enlargement had to fill the void.

We seem to have stumbled into a reflexive anti-Russian mode. The United States continues to act as though the Cold War is still the central reality of foreign policy, withal there has been a turnover and we now have the ball and it is time to move downfield. For instance, in a Times story on Sunday about the selection of a trans-Caucas oil pipeline, it was reported:

The Administration favored the Baku-Ceyhan route because it would pass through

only relatively friendly countries—Azerbaijan, Georgia and Turkey—and would bind them closer to the West; because it would pull Azerbaijan and Georgia out of the Russian shadow; and because it would not pass through either Russia or Iran, both of which have offered routes of their own.

Is "binding" Azerbaijan and Georgia closer to the West part of a flawed strategy of isolating Russia? We seem clearly headed in that direction with the expansion of NATO. And ignoring George F. Kennan, who lamented the Senate vote on NATO expansion in an interview with Thomas L. Friedman. Commenting on the Senate debate, Ambassador Kennan stated:

I was particularly bothered by the references to Russia as a country dying to attack Western Europe. Don't people understand? Our differences in the cold war were with the Soviet Communist regime. And now we are turning our backs on the very people who mounted the greatest bloodless revolution in history to remove the Soviet Regime.

We would do well to remember these words.

LOW INCOME HOUSING TAX CREDIT

Mr. D'AMATO. Mr. President, about a year ago, the distinguished Senator from Florida, Senator GRAHAM, and I introduced legislation (S. 1252) to increase the amount of low-income housing tax credits allocated to each state to reflect inflation since 1986, and to index this amount to reflect future inflation. Today, we have 64 additional cosponsors. In this time when the conventional wisdom is that everything is supposed to be so partisan in Washington, it is a very good testament about the importance of the low-income housing tax credit that S. 1252 has garnered the bipartisan support of two-thirds of the Senate.

I guess we should not be surprised about this support. The housing credit has become an extraordinarily effective mechanism to encourage construction of affordable housing. Since its creation in 1986, the low-income housing tax credit has successfully expanded the supply of affordable housing and helped revitalize economically distressed areas throughout the United States. The credit has been responsible for almost 900,000 units of housing in the past decade. Nearly all new affordable housing today (98%) is constructed with the help of the credit. Without the credit, these units simply would not be available.

Credits are allocated to each of the states on a formula based on population: \$1.25 multiplied by the number of people in the state. Each state must adopt an allocation plan based on housing needs in that particular state. Then private developers compete for allocation of the limited amount of tax credit. This creates an environment where each state can encourage the type and location of affordable housing it needs. And the competition for limited amounts of credit means that the Federal Government gets more and better