

## LEGISLATION

Congress has consistently supported the IAEA and has authorized and appropriated funds for the Agency since its inception in 1956. In recent years Congress has continued support for strengthening the safeguards system and through voluntary contributions. However, legislation has also been proposed to withhold portions of the voluntary U.S. contribution to the IAEA to signal displeasure with IAEA programs that benefit particular member states such as Iran and Cuba.

## FOR ADDITIONAL READING

IAEA documents are available on their web site: <http://www.iaea.org/woorldatom>.

International Atomic Energy Agency, "Safeguards and Nonproliferation," IAEA Bulletin, volume 41, number 4, 1999.

Zachary Davis, International Atomic Energy Agency: Strengthen Verification Authority? CRS Report 97-571, May 1997.

## PROTESTS AT IMF-WORLD BANK MEETINGS

Mr. BAUCUS. Mr. President, I rise today to comment on some important events that took place here in Washington last week while many of us were back home meeting with our constituents.

For the past 25 years, we've had an annual Spring ritual in Washington. I'm not referring to the cherry blossoms. Every April, the International Monetary Fund (IMF) and the World Bank hold their joint meeting. Bankers and finance ministers from around the world travel to Washington to talk about the global economy, exchange rates, poverty reduction, and the so-called "international financial architecture."

These are tremendously important subjects. But the talks are highly technical, and the results are shrouded in the vague language of diplomatic communiques. The meetings don't produce startling breakthroughs. For most people they are hard to understand. So the annual IMF-World Bank meetings in Washington have rarely generated much news, and the participants liked it that way.

This year was different. A coalition of activists vowed to descend on Washington to disrupt the meetings. More than 1,700 journalists registered to cover the event. Few of those journalists came to report on IMF discussions of extended funds facilities or economic stabilization criteria. They were hoping for the kind of news that protesters made at last year's WTO meetings in Seattle when they closed the city down.

But those who came to Washington hoping for Seattle-style violence were disappointed. Both the police and the demonstrators are to be commended for that. Those who came here hoping to throw the meetings off track were also disappointed. Unlike the WTO ministerial in Seattle, the IMF meetings did not attract a big crowd of protesters. The labor unions stayed home. The big environmental groups were absent. So the meeting took place pretty much as scheduled, albeit with some inconvenience and no dramatic events. Business as usual.

There was one underlying theme among those who did come: a feeling that international economic institutions undermine the interests of ordinary citizens. I heard that on the streets of Seattle last December, when protesters took aim at the world's main trade body. And I heard it again last week when they focused on the IMF and the World Bank. The demonstrators had no confidence that those institutions are moving in the right direction.

This lack of confidence concerns me greatly. It exists not only here at home, but also in many other countries. I believe that America must lead an effort to restore faith in the economic institutions we have worked so hard to build over the past fifty years, economic institutions that have served our country and our people. The World Trade Organization. The IMF. The World Bank. And we in the Congress should lead that effort.

Look at the evidence here at home. In the trade arena, I've seen a rapid decline in the domestic consensus in favor of open markets. One result is that we've been unable to renew the President's fast track trade negotiating authority. Moreover, the lack of a domestic consensus has undermined our ability to lead in the WTO. It has weakened our bargaining power. Other members, especially the EU and Japan, take advantage of our weakened position and resist opening up their markets to the production of American workers and farmers.

In the financial arena, last week's demonstrations showed that Americans are losing faith. They don't think that the IMF and the World Bank serve the needs of the people, especially the most vulnerable here and in other countries. Instead, they believe that the institutions serve the needs of the big and the rich. The IMF and the World Bank stand accused of mismanaging the Asian financial crisis through misguided policies which needlessly lowered the living standards of millions of people, throwing many of them back into poverty. They stand accused of mismanaging the Russian economy.

Are these criticisms justified? It's difficult for Americans to judge. These institutions do not operate in the daylight of public scrutiny. Although they exist on taxpayer funds, they do not hold themselves accountable to taxpayer concerns. America is the biggest shareholder in both the IMF and the World Bank. And the lack of transparency has seriously undermined American public confidence in both the IMF and the World Bank.

Over the past week I've read and heard a number of condescending remarks about the protesters. They've been called naive, poorly informed, misguided. But the concerns they express are real and are shared by many Americans who did not march down Pennsylvania Avenue. We need to take these concerns seriously, because they express a strong undercurrent in American thinking.

In my talks with representatives from the business, environmental and

labor communities, I find that strong centrist elements seek practical solutions. We in the Congress can supply the political leadership to firm up this middle ground on the issues of trade and finance, trade and labor, trade and the environment, and restore confidence in the international trade and financial system. It is an important undertaking. America's ability to lead the world into an era of global prosperity benefitting rich and poor alike requires us to firm up and expand the middle ground to reforge our domestic consensus.

## U.S. POLICY TOWARD LIBYA

Mr. MACK. Mr. President, I rise today to speak on behalf of Senate Resolution 287, expressing the sense of the Senate regarding U.S. policy toward Libya. It is of grave concern to me that the United States is currently considering a change in its "Travel Ban" policy with Libya, prior to the resolution of the Pan-Am 103 Bombing trial.

Libya is a state sponsor of terrorism and a global agent of instability. Two Libyan intelligence operatives, with prior terrorist activity convictions, are now on trial for the explosion of Pan Am flight 103 in 1988 and the loss of 270 lives, 180 of them Americans. Libya is engaged in one the most advanced Bio-Chemical efforts in the third world, including the acquisition of delivery vehicles. It has repeatedly engaged U.S. military forces, including an attempted missile attack on U.S. military installations in Italy in 1986.

Taking into account its past behavior, we all agree that Libya has a long way to go to become a member of the family of law-abiding nations. Libya must take concrete actions to provide its sincerity. It must show complete adherence to the Pan Am 103 Judicial Authorities in Hague. If a conviction is reached, Libya must accept responsibility for any court judgement and make full payment to all judgement creditors. It is my sense that Libya must prove its vigilant and sincere cooperation in anti-terrorism efforts.

U.S. policy towards Libya must remain balanced. The "Travel Ban" is an important tool and should not be abandoned without clear justification. A verdict is not yet at hand; I urge you to await the conclusion of the Pan Am 103 trial, and calculate our steps from there.

## FLAG DESECRATION AMENDMENT

Mr. REED. Mr. President, I stand in opposition to this amendment. As a graduate of the United States Military Academy and a former officer in the Army, I view the American flag with a special reverence borne by experience. I am deeply offended when people burn or otherwise abuse this precious national symbol, and I believe that we should teach young people to respect the flag.