

Finally, the Republican leadership has agreed to sit down with Democrats and work and an appropriations bill that doesn't face a veto threat. It funds the U.S. brokered Wye River Agreement, an important part of achieving a real and lasting peace in the Middle East and affirmation of our commitment to Israel, a critical ally.

A vote for this bill is a vote for a strong leadership role for the United States. I urge passage of this bill because foreign operations bolster our military and national security. This legislation declares support for our armed services and for the men and women who risk their lives to protect our freedom.

A TRIBUTE TO MILTON S.
HOFFMAN

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 8, 1999

Mrs. LOWEY. Mr. Speaker, I rise today to express my great admiration for Milton S. Hoffman, senior editor of the Editorial Board of The Journal News in Westchester County, NY. Mr. Hoffman's outstanding accomplishments in the field of journalism and his significant contributions to the government and civic life of the county have merited him still another award—the press gallery in the chambers of the Westchester County Board of Legislators will be dedicated in his honor later this month.

A man of high principle, integrity and skill, Mr. Hoffman began his lifelong newspaper career as an elementary school student in West Harrison, NY. In 1955, he started a 17-year stint covering Westchester County government for a precursor of The Journal News. He provided consistently thorough and thoughtful coverage of issues before the then-governing body, the County Board of Supervisors. His insightful writing also led to the replacement in 1969 of the Board of Supervisors with a more representative and efficient County Board of Legislators.

Mr. Hoffman continued his tireless advocacy for progressive social policies as the state government and politics reporter, editorial page editor, columnist and now senior editor. His philosophy throughout a distinguished 45-year career has been "not to tear things down, but to build them up."

How fitting that the press gallery be named for a journalist who has trained, over four and a half decades, thousands of young reporters in the principles of fairness and accuracy. Indeed, Westchester County today has a better governing structure thanks to Milt Hoffman's vision and leadership. And all of us in the County are richer because of his unfailing dedication and commitment to making this a better place to live and work.

CONFERENCE REPORT ON S. 900,
GRAMM-LEACH-BLILEY ACT

SPEECH OF

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 4, 1999

Mr. PAUL. Madam Speaker, today we are considering a bill aimed at modernizing the fi-

ancial services industry through deregulation. It is a worthy goal which I support. However, this bill falls short of that goal. The negative aspects of this bill outweigh the benefits. Many have already argued for the need to update our financial laws. I would just add that I agree on the need for reform but oppose this approach.

With the economy more fragile than is popularly recognized, we should move cautiously as we initiate reforms. Federal Reserve Board Chairman Alan Greenspan (in a 1997 speech in Frankfurt, Germany and other times), Kurt Richebacher, Frank Veneroso and others, have questioned the statistical accuracy of the economy's vaunted productivity gains.

Federal Reserve Governor Edward Gramlich today joined many others who are concerned about the strength of the economy when he warned that the low U.S. savings rate was a cause for concern. Coupled with the likely decline in foreign investment in the United States, he said that the economy will require some potentially "painful" adjustments—some combination of higher exports, higher interest rates, lower investment, and/or lower dollar values.

Such a scenario would put added pressure on the financial bubble. The growth in money and credit has outpaced both savings and economic growth. These inflationary pressures have been concentrated in asset prices, not consumer price inflation—keeping monetary policy too easy. This increase in asset prices has fueled domestic borrowing and spending.

Government policy and the increase in securitization are largely responsible for this bubble. In addition to loose monetary policies by the Federal Reserve, government-sponsored enterprises Fannie Mae and Freddie Mac have contributed to the problem. The fourfold increases in their balance sheets from 1997 to 1998 boosted new home borrowings to more than \$1.5 trillion in 1998, two-thirds of which were refinances which put an extra \$15,000 in the pockets of consumers on average—and reduce risk for individual institutions while increasing risk for the system as a whole.

The rapidity and severity of changes in economic conditions can affect prospects for individual institutions more greatly than that of the overall economy. The Long Term Capital Management hedge fund is a prime example. New companies start and others fail every day. What is troubling with the hedge fund bailout was the governmental response and the increase in moral hazard.

This increased indication of the government's eagerness to bail out highly-leveraged, risky and largely unregulated financial institutions bodes ill for the post S. 900 future as far as limiting taxpayer liability is concerned. LTCM isn't even registered in the United States but the Cayman Islands!

Government regulations present the greatest threat to privacy and consumers' loss of control over their own personal information. In the private sector, individuals protect their financial privacy as an integral part of the market process by providing information they regard as private only to entities they trust will maintain a degree of privacy of which they approve. Individuals avoid privacy violators by "opting out" and doing business only with such privacy-respecting companies.

The better alternative is to repeal privacy busting government regulations. The same ap-

proach applies to Glass-Steagall and S. 900. Why not just repeal the offending regulation? In the banking committee, I offered an amendment to do just that. My main reasons for voting against this bill are the expansion of the taxpayer liability and the introduction of even more regulations. The entire multi-hundred page S. 900 that reregulates rather than deregulates the financial sector could be replaced with a simple one-page bill.

TRIBUTE TO THE GRANDMOTHERS
OF PLAZA DE MAYO

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 8, 1999

Mr. LANTOS. Mr. Speaker, I would like to bring to the attention of my colleagues the service and commitment of some outstanding women—the Grandmothers of Plaza de Mayo. After 20 years, this non-profit organization has located 64 disappeared children of Argentina, and helped reunite the victims with their families, allowing them to recover their identity and their history. I want to commend the Grandmothers of Plaza de Mayo on their efforts and their dedication in reuniting children who disappeared during the military dictatorship that ruled Argentina from 1976 to 1983 with their legitimate families.

Mr. Speaker, in 1976, the armed forces of Argentina began a process of systematically violating some of the most fundamental human rights. This despotism resulted in the disappearance of over 30,000 persons, including hundreds of children. The Grandmothers of Plaza de Mayo have used many different tactics to search for these children who disappeared during the brutal tyranny of the military regime. Their primary purpose is to preserve the identity, roots and history of these children, which are the fundamental basis for human dignity.

Fortunately, advances in science and technology have made it possible for these families to be reunited. Blood tests prove, with 99.95 percent accuracy, that a child comes from a particular family. This is a difficult process, for which the professionals and volunteers involved must be commended.

The Grandmothers of Plaza de Mayo have committed themselves to this praiseworthy endeavor. I am grateful for all they have accomplished, and I urge my colleagues to join me in commending them for their outstanding efforts and devotion to the cause of bringing justice to the families who suffered under Argentina's brutal military regime.

MEDICARE, MEDICAID, AND SCHIP
BALANCED BUDGET REFINE-
MENT ACT OF 1999

SPEECH OF

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 5, 1999

Mr. WICKER. Mr. Speaker, the Balanced Budget Act included provisions to safeguard the long term solvency of the Medicare system, but for a number of reasons the mandated reductions exceeded estimates and provided a lower level of reimbursement than