

NEWS

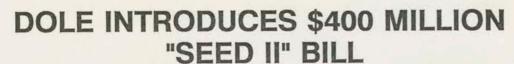
FROM:

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RESPONSIBLE U.S. AID PROGRAM FOR FLEDGLING DEMOCRACIES; BI-PARTISAN APPROACH NEEDED -- DIFFERENCES NARROW IN LEGISLATION

ALL OF US HAVE WITNESSED AND MARVELED AT THE EXPLOSION OF DEMOCRACY IN EASTERN EUROPE OVER THE PAST COUPLE OF YEARS.

I CAN STILL RECALL VIVIDLY A VISIT I MADE TO POLAND IN THE SUMMER OF 1989. I HAPPENED TO ARRIVE IN WARSAW ON THE DAY THE FIRST FREELY ELECTED GOVERNMENT IN POLAND IN A HALF CENTURY TOOK IT WAS A REMARKABLE EXPERIENCE -- AN ATMOSPHERE AKIN TO WHAT MUST HAVE BEEN THE MOOD TWO CENTURIES AGO IN PHILADELPHIA, WHEN OUR OWN FLEDGLING NATIONAL GOVERNMENT WAS FORMED.

MUCH HAS HAPPENED SINCE THOSE HEADY DAYS IN WARSAW. DEMOCRACY HAS TAKEN FIRM HOLD IN POLAND, IN HUNGARY AND IN CZECHOSLOVAKIA. GERMANY HAS REUNITED AS A DEMOCRATIC NATION. AND FREEDOM HAS TAKEN SOME IMPORTANT STEPS FORWARD -- AND ON OCCASION, A MISSTEP OR TWO BACKWARD -- IN THE SOVIET UNION, AND THE OTHER NATIONS OF EASTERN EUROPE.

STRUGGLE CONTINUES FOR DEMOCRACIES

BUT TWO FUNDAMENTAL THINGS HAVE NOT CHANGED. FIRST, THE STRUGGLE TO CONSOLIDATE DEMOCRACY AND FREE ENTERPRISE WHERE THEY HAVE TAKEN ROOT, AND TO NURTURE THEM WHERE THEY STILL STRUGGLE TO FLOWER, REMAINS VERY MUCH A FRONT-BURNER ISSUE -- NOT ONLY FOR

THE NATIONS INVOLVED, BUT FOR US AND FOR THE ENTIRE FREE WORLD.

AND, SECOND, IT CONTINUES TO BE IN OUR OWN NATIONAL INTEREST
TO DO EVERYTHING WE CAN TO HELP THE FORCES OF DEMOCRACY AND FREE
ENTERPRISE ACHIEVE THEIR GOALS. A DEMOCRATIC SOVIET UNION AND EASTERN EUROPE, ECONOMICALLY STABILIZED AND INVIGORATED BY FREE MARKET ECONOMIES, WILL MEAN FOR US A VASTLY REDUCED MILITARY
THREAT; A VASTLY EXPANDED POTENTIAL FOR DIPLOMATIC AND POLITICAL
COOPERATION; AND VASTLY GREATER MARKETS FOR OUR INVESTMENT AND
OUR TRADE. SO IT REMAINS IN OUR INTEREST TO PROVIDE ASSISTANCE -NOT ONLY MORAL SUPPORT, BUT CONCRETE MATERIAL ASSISTANCE -- TO THE DEMOCRATIC AND FREE ENTERPRISE GOVERNMENTS AND MOVEMENTS OF THE SOVIET UNION AND EASTERN EUROPE.

THAT IS WHAT GAVE RISE LAST YEAR TO THE BIPARTISAN EFFORT TO PASS A SO-CALLED "SEED BILL" -- "SEED" BEING THE ACRONYM FOR SUPPORT FOR EASTERN EUROPEAN DEMOCRACY.

AND THAT IS WHY, THIS YEAR, THERE HAVE BEEN VARIOUS GROUPS WORKING ON A NEW SEED BILL -- COMMONLY CALLED "SEED II" -- TO UPDATE AND EXPAND THE SEED PROGRAM, TO COVER NEW NATIONS AND NEW PROBLEMS.

I HAVE CONVENED A GROUP OF SENATORS THAT HAS BEEN WORKING FOR SOME WEEKS ON A SEED II PROPOSAL. I KNOW THAT THE FOREIGN RELATIONS COMMITTEE HAS BEEN WORKING ON THIS LEGISLATION, TOO. AT TIMES, THE TWO GROUPS HAVE WORKED INDEPENDENTLY, AND AT TIMES HAVE BEEN IN CONTACT, TO SEE IF A CONSENSUS DOCUMENT COULD BE

I AM PLEASED THAT, AS A RESULT OF THESE EFFORTS, THE TY SIDES HAVE DRAMATICALLY NARROWED THE DIFFERENCES IN THE TWO DRAFTS. THE COMMITTEE'S DRAFT, WHICH AT ONE TIME WAS MORE THAN 200 PAGES LONG, HAS BEEN DRASTICALLY PARED BACKED, AND NOW VERY CLOSELY APPROXIMATES BOTH THE SUBSTANCE AND FORM OF OUR DRAFT. IN FACT, WE'RE NOW NOT ALL THAT FAR APART.

(MORE)

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I UNDERSTAND THAT THE COMMITTEE WILL BE MARKING UP ITS NEW DRAFT THIS WEEK, AND I AM HOPEFUL THAT THE DIFFERENCES BETWEEN THE TWO DRAFTS COULD BE ELIMINATED, OR AT LEAST NARROWED, IN THAT MARK-UP. IF NOT, THOUGH, IT MAY BE THAT WE WILL BE OFFERING FLOOR AMENDMENTS TO TAKE CARE OF THE FEW REMAINING AREAS WHERE WE THINK OUR DRAFT CONTINUES TO REPRESENT AN IMPROVEMENT OVER THE COMMITTEE'S DRAFT -- PRINCIPALLY IN THE AREAS OF SETTING CRITERIA FOR ELIGIBILITY, AND ENCOURAGING THE DEVELOPMENT OF FREE MARKET ECONOMIES.

AGAIN, I WOULD UNDERSCORE THAT THE DIFFERENCES ARE NOT ALL THAT GREAT, AND I WOULD HOPE THEY CAN BE WORKED OUT ONE WAY OR ANOTHER. SURELY, THIS IS NOT A MATTER FOR PARTISANSHIP.

DOLE BILL

IN ANY EVENT, I WANTED THE SENATE TO BE AWARE OF OUR DRAFT AND OF THE EVOLUTION OF EVENTS. TO THAT END, I AM INTRODUCING IT NOW. NOTING THAT THE COMMITTEE HAS ALREADY HAD IT IN SUBSTANCE FOR SOME TIME, IT WILL NOW BE FORMALLY REFERRED TO THE COMMITTEE AND HOPEFULLY TAKEN INTO ACCOUNT AS THE MARK-UP PROCEEDS.

THE BILL AUTHORIZES \$400 MILLION FOR SEED II PROGRAMS -- THE LEVEL OF THE ADMINISTRATION'S REQUEST, AND THE LEVEL INCLUDED IN

THE COMMITTEE DRAFT, TOO.

THE BILL LAYS OUT CRITERIA FOR ELIGIBILITY THAT INSURES THAT OUR AID DOLLARS WILL HELP FOSTER REAL DEMOCRATIC AND FREE MARKET REFORM -- AND NOT BE MISUSED TO PROP UP FAILING REGIMES STILL DOMINATED BY COMMUNISTS, OR WASTED IN PROJECTS THAT DON'T REALLY GENERATE LONG-TERM DEVELOPMENT. THIS IS ONE OF THOSE AREAS WHERE

I STILL BELIEVE THE COMMITTEE DRAFT NEEDS A LITTLE WORK. THE BILL ACCEPTS THE PRINCIPLE OF MY BILL, S.9., IN AUTHORIZING AID FOR CONSTITUENT REPUBLICS OF COUNTRIES LIKE THE SOVIET UNION AND YUGOSLAVIA -- WHERE FEDERAL GOVERNMENTS AND SOME REPUBLICAN GOVERNMENTS ARE STILL COMMUNIST-DOMINATED, BUT WHERE SOME REPUBLICS HAVE DEMOCRATIC GOVERNMENTS THAT DESERVE OUR SUPPORT.

THE BILL EMPHASIZES SUPPORT FOR FREE MARKET ECONOMICS -- THE ONLY REAL "ENGINE" OF LONG-TERM DEVELOPMENT. AGAIN, THIS IS AN AREA WHERE WE HOPE TO AMEND THE COMMITTEE DRAFT.

AND THE BILL, WHILE LAYING OUT POLICY GUIDELINES AND MEANS FOR OVERSIGHT, AVOIDS THE MICRO-MANAGEMENT OF PROGRAMS THAT IS REALLY THE RESPONSIBILITY OF THE EXECUTIVE BRANCH.

LET ME CONCLUDE BY REITERATING THE BASIC POINTS. OUR INTEREST TO HELP DEMOCRACY AND FREE ENTERPRISE IN THE SOVIET UNION AND EASTERN EUROPE. IT IS IMPORTANT THAT WE DO SO PRUDENTLY, WITH A CLEAR EYE ON OUR NATIONAL INTEREST AND OUR OWN BUDGET PROBLEMS. IT IS IMPORTANT THAT WE PROCEED ON A BIPARTISAN

I BELIEVE THIS LEGISLATION MEETS ALL THOSE CRITERIA, AND I AM PROUD TO INTRODUCE IT. I HOPE ALL SENATORS WILL GIVE IT THEIR CAREFUL CONSIDERATION, AND THAT WE WILL OBTAIN A LARGE NUMBER OF COSPONSORS, FROM BOTH SIDES OF THE AISLE.