

BUSINESS MEETING

Tuesday, June 24, 2008

U.S. SENATE
COMMITTEE ON FOREIGN RELATIONS
WASHINGTON, D.C.

1 The committee met, pursuant to notice, at 2:21 p.m. in Room S-116, The Capitol, Hon.

2 Joseph R. Biden, Jr., chairman of the committee, presiding.

3 PRESENT: Senators Biden [presiding], Kerry, Menendez, Cardin, Casey, Lugar, Hagel,
4 Coleman, Corker, DeMint, Isakson, and Barrasso.

5 ALSO PRESENT: Jeffrey Bergner, Department of State.

OPENING STATEMENT OF HON. JOSEPH BIDEN JR., U.S. SENATOR FROM DELAWARE

6 THE CHAIRMAN: The committee will come to order. We do not have — we need one
7 more for a quorum and we're in touch with two. I'm sure we'll catch one in a moment.

8 But all kidding aside, while we're waiting I want to make a comment about Assistant
9 Secretary of State for Legislative Affairs Jeff Bergner, who is stepping down at the end of this
10 week. He's been a terrific colleague and a very strong defender of the State Department's
11 positions, but also the national interest. He's been collegial. In everything we've ever asked of
12 him, he's been straight with us.

13 We want to wish you the best, whatever you're going to do, Jeff. You've been great,
14 really.

15 MR. BERGNER: Thank you, sir. I appreciate it.

16 THE CHAIRMAN: Thank you so much.

17 SENATOR LUGAR: May I be recognized, Mr. Chairman?

1 THE CHAIRMAN: Please, Mr. Chairman.

2 SENATOR LUGAR: I so much appreciate your saying a good word about Jeff. As many
3 of you know, he has been with me since almost the beginning of my time in the Senate. He was
4 head of our office, our chief of staff. He came over to be chief of staff of the Foreign Relations
5 Committee. And I was so pleased when he responded to the call again of Secretary Rice to be
6 helpful, because I think the Legislative Liaison was not as successful before his coming, and he's
7 made an enormous difference, I think. All of us are better informed.

8 So I am sad to see Jeff leaving public life again and I hope maybe he will respond to the
9 call if it comes at some future time.

10 THE CHAIRMAN: Don't do it, Jeff. Don't do it.

11 [Laughter.]

12 SENATOR LUGAR: I say thank you.

13 THE CHAIRMAN: I hope whomever — and I mean this sincerely, if anyone in the
14 administration hears this — I hope they pick — there are some very fine people that have done
15 Legislative Liaison, but none do them better than those who have actually worked up here,
16 actually know how this place works, actually understand both the ebb and flow of this place as
17 well as the thing called separation of powers.

18 Jeff, you've been great and I again thank you and I wish you well.

19 We have an agenda today. We still are short one for a quorum, but, Mr. Chairman, what
20 I'm going to do is very briefly make a brief opening statement, maybe yield to you. By that time,
21 if we have a quorum we can get going.

22 We're going to consider 7 bills today, 1 treaty, 14 nominations, 3 foreign service lists, and
23 a partridge in a pear tree — no — and 3 foreign service lists. I don't think this is going to take

1 too long, although we may have some discussion on one or two of the items or requests — and
2 possibly a request for a roll call vote on one or more amendments or on the bill, a bill.

3 First, as I understand it Senator Boxer — we now have a quorum — Senator Boxer has
4 requested that we hold over the nomination of the ambassador to Armenia, item 22 on the
5 agenda. So that will be done. The reason for that, the proffered reason, was that the written
6 questions that were — Senator Cardin conducted the hearing. I think the person seems
7 eminently qualified, but the written questions, the answers to which were just received
8 yesterday, and Senator Boxer understandably says she wants more time to take a look at it. So
9 it is her prerogative and we will hold it over.

10 Secondly, I understand our friend from Wyoming has an amendment to offer to S. 1368,
11 the bill authorizing the replenishment of the International Development Association. It's item
12 number 6 on the agenda, sponsored by Senator Lugar and myself. We will debate and vote on
13 that, I hope.

14 I'm aware of no other items that required debate or vote. But I'd ask my colleagues now
15 if there's anything else on the agenda other than the things I've mentioned that is going to
16 warrant discussion. If not, I would move all the other items on the agenda to be approved,
17 unless there's objection.

18 Senator Corker?

19 SENATOR CORKER: I received a call yesterday from Bob Menendez about the
20 particular area that he's interested in. Just candidly, I like what it is that he wants to do. I know
21 during the hearings where we talked about the initiative and others, we've talked about trying
22 to develop economic growth in these countries and doing things to really help in that area.

1 I have to tell you, I know I'm new around here, okay. The things that we talk about in
2 this committee, they're all good things. PEPFAR we voted out recently, all for. I do feel like
3 that we cause ourselves not to be taken as seriously as we should be, because we never de-
4 authorize anything. We're just constantly authorizing these programs. It seems to me that we
5 could be a much more thoughtful body — for instance, I actually like what it is that Bob has
6 brought forth — but if we at the same time would look at some of the programs that we have
7 ongoing right now that we've authorized and say, look, we ought to shift in emphasis.

8 I just would say to you, Mr. Chairman, that by virtue of I think conducting business the
9 way we and many authorizing committees conduct ourselves, in essence the appropriators end
10 up being the people that make all the value decisions. We in essence pass authorizing
11 legislation. We don't think much about it. It's a nice thing that we'd like to see happen. We
12 know at the end of the day the appropriators are going to make the ultimate decision.

13 But I think one of the reasons for that is we never, it seems, on any of the authorizing
14 committees I'm on, we never look at making value decisions ourselves.

15 So I would just say to you that I think that's prevalent. I may vote present even on Bob's
16 so we might try to deal with offsets, although I just want to say publicly I like very much what
17 you're trying to do and I support that effort. I just wish that we ourselves would take the other
18 side of the equation as seriously as we do trying to do good things around the world, by the
19 way all of which so far I support, but we just don't seem to have the proper discipline, it seems
20 to me, to do the other.

21 I'd love to have a response, Mr. Chairman.

1 THE CHAIRMAN: Well, if you don't mind I would make a response, and it has nothing
2 to do with whether or not you're new to this place. You've been a very quick study and you're a
3 very valued member of this committee.

4 I think one of the reasons why, at least on this committee — first of all, I think we
5 constantly make value decisions. I think that's the question. We make value decisions, and I
6 guess maybe what the Senator, in addition to value he's referring to, is also a prioritization,
7 what do we in terms of our limited budget in terms of the Federal budget do we prioritize,
8 eliminate things that no longer are useful in order to justify new spending that we want.

9 I think one of the reasons why in this committee you don't see much of that is because
10 we have been actually pummeled in the last 12 to 15 years on the diplomatic side of the
11 equation. The Senator remembers we heard testimony and even a speech — we didn't hear it —
12 read the speech that Secretary Gates talked about when you have a 19 to 1 discrepancy between
13 spending on the military side versus the diplomatic side, it's overwhelming evidence that we
14 have been underfunding, underfunding to a tune I think of over 2 to 300 percent underfunding,
15 in order to protect our national security this, this portion of the budget, the budget that we have
16 responsibility for.

17 So I think that argument could be made more persuasively, it could be a more
18 persuasive argument — it couldn't be made more persuasively, but it would be a more
19 persuasive argument, were it directed at some of the other committees in this Senate, starting
20 maybe with the Armed Services Committee.

21 But I really think in terms of even the — I realize this is a generalization. As Clemens
22 said, all generalizations are false, including this one. It is a generalization, but it does
23 encapsulate the proportion of the disproportionate spending in this place. That is, when the

1 Secretary of Defense says we've got to do something about a 19 to 1 discrepancy between
2 essentially what goes on in the Armed Services Committee on this committee or our
3 counterparts in the House, I think it's pretty persuasive.

4 The last point I'd make about the appropriators: The appropriators never pay attention
5 to the authorizers. I don't care what committee it's on. They always find ways to figure out,
6 given the way in which their allocations are laid out by the chairman — they're given X amount
7 of dollars within the budget constraints that we vote on setting the budget and they have an
8 interesting way of being able to figure out how to trump whatever the authorizing committees
9 decide.

10 Which leads me to a concluding point. I wanted very much when I was a young Senator
11 — I was elected when I was 29 years old. I came to this committee, contacted the man who sat
12 in this chair at the time, J. William Fulbright. I said — actually, John got more of his attention
13 testifying before him than I got as a Senator trying to get on the committee.

14 I said: Mr. Chairman, I'd very much like to be on the Foreign Relations Committee.
15 And in response — he was very courtly. In response, I thought he was making fun of me, he
16 said: Oh, you want to affect American foreign policy? I thought, that's awfully presumptuous
17 of me as a 30-year-old kid. I said: No, no, I just want to —

18 He said: You want to affect foreign policy? And I said: Well, no, sir; I want to — and
19 then I realized how stupid it sounded. I said: I'd like to have some impact.

20 He said: If you want to affect American foreign policy, go speak to my colleague,
21 Senator McClellan. A true story. And I said: But he's chairman of the Appropriations
22 Committee. He said: Yes; if you want to affect foreign policy, get on Appropriations.

1 So not much has — that's a true story. Not much has changed in 35 years in terms of the
2 power of the appropriators. But that would be my response to the Senator. I think we are so far
3 — that doesn't mean there are not programs out there that are sponsored through this
4 committee, that are authorized through this committee, that don't warrant being changed,
5 altered, or eliminated.

6 But the broad answer to your question is we are so far, so far behind the eight-ball in
7 terms of using the full panoply of power that this country has in terms of the exercise of our
8 influence in the world, not the least of which is our diplomacy, that we've got a long way to go.
9 That would be my response, I'd say to the Senator.

10 SENATOR LUGAR: Let me just make a quick addition. One of the dilemmas of our
11 committee in recent years has been the inability to have an authorization bill on the floor. I say
12 this because it's been so long in the memories of many, they might not realize we ever did have
13 authorization bills year by year.

14 But that offered an opportunity to weigh all of the programs in the State Department or
15 the diplomatic corps or what have you. Even given the constraints the chairman has
16 mentioned, which are very real, it was an annual airing of how things are going, with testimony
17 by the administration, by others. It was a good exercise.

18 The last time when I was chairman we tried to get such a bill on the floor. But all sorts of
19 extraneous amendments that had very little to do with our bill came from members frustrated
20 that authorization bills never come before the Senate. There had been a long stretch and there
21 was unlikely to be an authorization bill until the defense authorization bill, which was the only
22 one considered in that particular year, came to the floor.

1 This is really a comment upon the management of the Senate, but at the same time
2 hopes springs eternal and it could be some day we will have an authorization bill and in the
3 appropriate way in which authorization committees in fact are heard have legislation and
4 therefore are more likely to be effective vis a vis the appropriators or anybody else.

5 But I appreciate the Senator's point, but this offers at least one other Senator's point of
6 view.

7 SENATOR CORKER: I'd just like to respond —

8 SENATOR KERRY: Do you have any ideas what you want to de-authorize?

9 SENATOR CORKER: You know, I've got to tell you, I was just recently in Africa, and
10 this will be very unpopular with most people in this group. I saw some things going on with
11 the Millennium Challenge Corporation that I'm not sure was good stuff. I'm not sure it's the
12 way we ought to be spending our money. I'm not offering that today, but I just had to tell you
13 that, candidly, if I were going to sit down for a moment I might say, look, we're doing some
14 awfully unique things, if you will, that I'm not sure are necessarily in our country's long-term
15 interest to be doing.

16 I would just say this in closing. This is a streamlined meeting, I'm causing people to
17 miss other meetings, they expected to be in and out of here in 6 minutes, and so I'll stop by
18 saying this. I still think that we would have a much greater impact on those things that we are
19 doing, like the one I just mentioned, if we asked questions and possibly passed out of here
20 things to tweak those types of things if we don't feel like they're going exactly where they
21 should. We never do that, and this is not a criticism —

22 THE CHAIRMAN: No, no; I get it.

1 SENATOR CORKER: We just don't — it is a criticism of us in general, not certainly of
2 our leadership. I just feel like when we see an additional \$2.5 billion for this and that, by the
3 way things I agree with, we ought to prioritize — I think you put the best word on it — in this
4 committee, and that's something we do not do today that I wish we would.

5 THE CHAIRMAN: Well, if I can. I appreciate the Senator's sentiment and the
6 underlying point he makes is accurate in my view. That's why we are trying — we're in the
7 process, with the help of many people around this table, the chairman and I, to change the
8 structure of a lot of what we do and how we appropriate, for what we appropriate moneys,
9 everything from a Civilian Response Corps to a whole range of things which we believe
10 structurally would help make the conduct of our foreign policy more effective, eliminating not
11 only some programs, but eliminating some portions of the various departments and
12 consolidating and the like.

13 So that's under way. We've done that in the past on several occasions. The Millennium
14 account is one of those examples. But the point is well taken.

15 Senator Menendez?

16 SENATOR MENENDEZ: Mr. Chairman, very briefly. I appreciate Senator Corker's
17 remarks and appreciate his support of the intent of the bill, and I understand where he's
18 headed. In fact, in our subcommittee on international, all of our international systems, AID and
19 other entities, we have been looking very seriously at a series of hearings with Senator Hagel —
20 Senator Lugar has attended as well as other members — as to what's efficient and what is not,
21 what ultimately is in the best — how do we best use our soft power and our resources in a way
22 that gives us the ultimate achievement for the goals that we want, both in terms of national
23 interest and national security.

1 Now, we haven't yet come to a final determination of that process, but it's a review that
2 is ongoing, on which we've held several committee hearings, with the goal being at the end of it
3 making a recommendation to the chairman, the ranking member and others to maybe how we
4 do things better in that respect. I certainly would invite you to some of those opportunities and
5 your input on it, and I appreciate your support and your confidence relating to what we're
6 trying to do in Latin America. We have a huge void filled right now by Hugo Chavez and it's in
7 the national interest of the United States that we try to address it.

8 THE CHAIRMAN: After Senator Lugar gives his statement, if he wishes to, I'm going to
9 ask that we approve the entire agenda en bloc by voice vote, with the exception of items
10 number 6 and 22. Item number 6 again — item number 22 is laying over the ambassador to
11 Armenia and item 6 is a piece of legislation on which Senator Barrasso has an amendment.

12 SENATOR LUGAR: I will make such a motion, Mr. Chairman. My hope is, without
13 creating further stir, that we will be able to send an ambassador to Armenia. I think the
14 Armenians in the United States as well as the Armenians in Armenia want to have that
15 representation because they have serious problems. But I appreciate for the moment we will
16 not have that vote, but I hope for consideration of it at a subsequent meeting.

17 THE CHAIRMAN: That's my intention and I think that Senator Cardin held a hearing.
18 He and I spoke. I am in agreement that the nominee is qualified.

19 SENATOR CARDIN: If the Senator would yield, at the hearing I was very impressed by
20 all the nominees. I think it's in Armenia's interest and the United States' interest to get the
21 ambassador approved as quickly as possible.

1 SENATOR LUGAR: I would now move, Mr. Chairman, if it's proper that the items of
2 legislation, with the exception of item 6, and the treaty, all the nominations with the exception
3 of number 22, and the foreign service list be adopted.

4 THE CHAIRMAN: Is there a second?

5 SENATOR COLEMAN: Second.

6 THE CHAIRMAN: All those in favor say aye?

7 [Chorus of ayes.]

8 THE CHAIRMAN: Opposed, no.

9 [No response.]

10 THE CHAIRMAN: They are all agreed to.

11 Now we'll move —

12 SENATOR MENENDEZ: Mr. Chairman, on that, I want to be recorded as aye on
13 everything and abstaining on number 19.

14 THE CHAIRMAN: Abstain on number 19, okay. So recorded.

15 Senator Barrasso, you have an amendment, I believe.

16 SENATOR BARRASSO: I do, Mr. Chairman. This has to do with S. 3168. It's the
17 replenishment of the International Development Association. There are two sections, sections 5
18 and 6, which to me seem unrelated to the purpose of the bill. They have to do with greenhouse
19 gas emissions and environmental impact assessments. I think that we don't need to set a
20 precedent to have applied domestically. That could happen if this is in this bill. My concern is
21 the potential for blocking energy development in the United States.

22 So I offer an amendment to remove sections 5 and 6, which takes out pages 6, 7, 8, and
23 the beginning of page 9.

1 Thank you, Mr. Chairman.

2 THE CHAIRMAN: Senator Kerry.

3 SENATOR KERRY: Does he want to speak?

4 THE CHAIRMAN: I was going to yield to Senator Lugar, but —

5 SENATOR KERRY: If the ranking member wants to speak, I'll wait and I'll speak after
6 him.

7 SENATOR LUGAR: Well, let me just make this comment. I appreciate the concerns of
8 my colleagues, but I will vote against the amendment to S. 3168. The provisions it seeks to
9 strike are a modest attempt to include concern for greenhouse gas emissions in the
10 decisionmaking process of the multilateral development banks. The bill does not set an
11 emissions limit of any sort or require specific votes.

12 These provisions call on the development banks to assess the greenhouse gas emissions
13 of projects up for consideration. They also provide that our executive directors use their voices
14 and votes to encourage reductions of greenhouse gas emissions associated with bank projects.
15 Moreover, the bill requires the Treasury Department to evaluate the total emissions of
16 development bank projects and the alternatives that would address similar economic and social
17 goals.

18 The greenhouse gas language is consistent with the environmental legislative mandates
19 that Congress has promoted at the development banks through the Treasury Department over
20 many decades. This language is specific to the development banks and would not have a
21 domestic impact through the National Environmental Policy Act.

22 The multilateral development banks are unique institutions. Asking our representatives
23 to the banks to assert a particular foreign policy goal such as mitigating greenhouse gases in

1 developing countries does not in my judgment set a precedent for domestic environmental
2 impact statements.

3 I would say to my colleagues that one of the most prominent points of contention in
4 international climate negotiations is that greenhouse gas emissions generated by the developing
5 world will overwhelm any cuts made by the United States and other industrialized nations. We
6 know that any progress on greenhouse gases will require a global approach. In this context, if
7 the development banks are funding dirty projects overseas with our money we should know
8 about it. We do not want the United States taxpayer to blindly support projects overseas that
9 have a negative impact on the environment in our country through climate change. Moreover,
10 we want to foster greater understanding of the options for cleaner technologies in the
11 developing world.

12 THE CHAIRMAN: Senator Kerry?

13 SENATOR KERRY: Well, thank you, Mr. Chairman. Let me join with the ranking
14 member and just say to the Senator and our colleagues here that it would be completely
15 contradictory and counterproductive and contrary to any common sense for the United States
16 to be funding through or to be supporting funding through the international bank structure any
17 project that doesn't adopt state of the art technology, that doesn't embrace new materials, new
18 building standards, etcetera, in order to reduce greenhouse gas emissions.

19 Just a couple days ago I met in Boston with a group of our architects and building
20 people, etcetera. The Energy Department, our own Energy Department, has something called
21 the Commercial Building Initiative, CBI. We are currently engaged in major efforts in this
22 country to build differently. Buildings account for 40 percent of all greenhouse gas emissions
23 and they also account for 40 percent of all of our energy use. In addition to that, transportation

1 accounts for 60 percent of the one-third that comes from the transportation sector of greenhouse
2 gases.

3 So it just doesn't make sense for us to be doing anything except trying to inculcate in
4 people a completely different sense of responsibility in the kinds of projects that we're funding
5 and they're engaging in.

6 As the Senator, Senator Lugar, said, there's no mandate here with respect to here in the
7 United States. But Jim Hansen — this is right about now the 20th year anniversary of Jim
8 Hansen testifying before the Congress. 20 years ago he told us global climate change is here
9 and it's happening now. Those scientists who have been very conservative in their predictions
10 are now all revising their predictions downwards, and they've even revised them downwards
11 from last year's revision that brought it down from a tolerable level of about 550 parts per
12 million to 450. They're now going lower than that. We're at 380 now.

13 So if the United States doesn't take the lead with respect to any development project or
14 any kind of building project, transportation project here in this country, we're really just
15 ignoring reality and tempting fate in the worst way.

16 I think this measure is not a mandatory one. It just requires them to report what's the
17 footprint and impact of a particular investment project. That's all it asks for. I think it would be
18 a terrible mistake for this committee to go otherwise.

19 Right now in Berlin, Tony Blair and a bunch of people are there talking about this very
20 topic and how we're all going to make ourselves more secure, and for us to move counter to
21 that I think would be a terrible mistake.

22 THE CHAIRMAN: A brief comment. I'll ask that my statement be placed in the record.
23 As they say, I'll associate myself with the remarks of both my colleagues. But the important

1 point as it relates to this particular piece of legislation is nothing we do in this legislation
2 mandates anything being done domestically. Now, although I'd be the first to tell you I would
3 like to see it mandated here in the United States, I would like to see every environmental impact
4 statement have that requirement domestically, unfortunately from my perspective this does not
5 do that, is not intended to do that, does not affect that at all.

6 I understand the Senator's concern. I suspect his concern is that, although he
7 understands it doesn't do that, that it may get in people's minds, might create the notion that
8 maybe we should do that. But that's beyond our jurisdiction and it has nothing to do with this
9 legislation. So I'm going to oppose the amendment as well.

10 Would you like to comment, Senator, or anyone else?

11 STATEMENT OF SENATOR JOSEPH R. BIDEN, JR. ON BARRASSO AMENDMENT TO S. 3168

12 I will oppose the Senator's amendment. First, let me say that the bill before us does not make
13 a radical change in U.S. law. Current law, in place for 20 years, already requires that there be an
14 environmental impact assessment in any instance where the proposal may result in "significant
15 impact on the environment." The only thing we are adding here is that the assessment specifically
16 review greenhouse gas emissions of the proposal and of alternatives. That's it. That is the only
17 change we are making. Then we add a reporting requirement on how this assessment process is
18 working and what efforts are being made to reduce greenhouse gas emissions.

19 It does not say we have to vote against any project. It just says we need to have that
20 information before we vote. The Senator's amendment would have us make decisions at the
21 World Bank, with our taxpayers' money, without the information we need to understand the effect
22 of those decisions.

23 World Bank President Zoellick has said he wants climate change considerations "baked into"
24 the consideration of lending at the Bank: "Climate change policies cannot be the frosting on the
25 cake of development; they must be baked into the recipe of growth and social development." He

1 wants to make this a priority, and is already moving to measure the “carbon footprint” of Bank
2 projects. The provision we have before us simply makes it U.S. policy to know the climate impact
3 of the projects we vote on.

4 SENATOR BARRASSO: Thank you for your time, Mr. Chairman and Senator Lugar, for
5 your comments about it not setting a precedent. Mr. Chairman, in the interest of time I'm
6 happy with just a voice vote.

7 THE CHAIRMAN: All those in favor of the amendment say aye.

8 SENATOR BARRASSO: Aye.

9 THE CHAIRMAN: Opposed, no.

10 [Chorus of noes.]

11 THE CHAIRMAN: The noes have it.

12 All those in favor of the legislation, say aye.

13 [Chorus of ayes.]

14 THE CHAIRMAN: Opposed, no.

15 [No response.]

16 THE CHAIRMAN: The legislation is reported out.

17 I believe that is the business before the —

18 Senator Casey: Mr. Chairman.

19 THE CHAIRMAN: The Senator from Pennsylvania.

20 Senator Casey: On Senate Bill 2166, I have a statement for the record. I'd ask consent
21 that it be placed in the record.

22 THE CHAIRMAN: Without objection, it will be placed in the record.

23 [The material referred to above follows:]

PREPARED STATEMENT OF SENATOR ROBERT P. CASEY

1
2 I want to express my recognition and gratitude that the Committee on Foreign Relations has
3 marked up and is today moving to report out for consideration to the full Senate S. 2166, the
4 Jubilee Act for Responsible Lending and Expanded Debt Relief. The Jubilee Act seeks to build on
5 previous successful international debt relief initiatives to alleviate poverty and promote
6 development in the world's poorest nations. In particular, this legislation would go beyond the
7 previous Heavily Indebted Poor Countries (HIPC) and the Multilateral Debt Relief Initiative
8 (MDRI) efforts and extend comprehensive debt relief to an additional 24 nations. These new
9 nations, which range from Georgia and Moldova in the former Soviet Union to Kenya and Lesotho
10 in Africa, qualify on the basis of their low per-capita income levels and their subsequent eligibility
11 to receive special assistance from the World Bank. I am proud to be joined by 26 other Senators
12 who have agreed to co-sponsor this legislation, including a majority of the Senators who sit on the
13 Foreign Relations Committee.

14 In recent years, the world has witnessed a coming together of a diverse coalition of groups
15 on behalf of the cause of forgiving the debts of those nations at the lowest rungs of the world's
16 economic ladder. A grass roots religious coalition has organized itself under the Jubilee Network
17 to press for greater debt relief and has been joined by academics, entertainers and world leaders.
18 Jeffrey Sachs of Columbia University and a former advisor to the UN Secretary General has
19 declared that "No civilized nation should try to collect the debts of people who are dying of
20 hunger and disease and poverty." The late Pope John Paul the Second made international debt
21 relief a key priority for his Papacy, calling on the international community to "reduce substantially,
22 if not cancel outright, the international debt which seriously threatens the future of many
23 nations."

24 In April, I had the privilege of chairing a full Committee hearing on the impact of previous
25 debt relief initiatives and the merits of the Jubilee Act legislation. We had the opportunity to hear
26 testimony from Assistant Secretary of Treasury Clay Lowery and a distinguished panel of outside
27 experts. Based upon the feedback from that hearing, working with Chairman Biden and Ranking

1 Member Lugar, we have made a number of changes to the legislation that make it stronger and a
2 more effective vehicle for advancing the cause of debt relief.

3 Let me summarize quickly some of those key changes:

- 4 • Insertion of a Sense of Congress clause on the need to fully fund arrears on previous U.S.
5 debt relief commitments, to ensure that while the United States is considering taking on
6 new debt relief obligations, we should recognize the imperative of living up to past
7 promises;
- 8 • Revised language to discourage so-called “vulture fund” activity to meet concerns
9 expressed by the Treasury Department;
- 10 • Insertion of additional criteria that eligible countries demonstrate democratic governance
11 and transparency to qualify for debt relief;
- 12 • Insertion of a reporting requirement from the Treasury Department on the design of a
13 potential facility to provide short-term financing to respond to temporary economic
14 shocks;

15 These changes have strengthened this legislation and put it in a better position to pass the
16 full Senate. As long as impoverished nations are forced to make onerous debt payments, they are
17 trapped in a vicious cycle where their scarce fiscal resources are taken away from the domestic
18 programs that will eliminate the need for future debt. The Jubilee Act will help these nations get
19 out of debt and help enable them to free up resources to reduce poverty. I look forward to
20 working with my colleagues to have the full Senate take up this important bill and pass it in the
21 coming weeks.

22 The meeting is adjourned.

[Whereupon, at 2:48 p.m., the meeting was adjourned.]

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