

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
--------------------------	---------------	------	-------------

001. email	To Ruby Shamir from Lawrence Yanovitch re: Latest Micro Status (partial) (1 page)	09/28/00	P6/b(6)
------------	--	----------	---------

COLLECTION:

Clinton Presidential Records
First Lady's Office
Ruby Shamir (Subject Files)
OA/Box Number: 23246

FOLDER TITLE:

International Microcredit

2012-0565-S

ry1258

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of
personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed
of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of
an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial
information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of
personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement
purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of
financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information
concerning wells [(b)(9) of the FOIA]

COPIES

Bill #

Rose
x241
Home: 301-827-9440

HR1143



lyanovitch@villagebanking.org
08/01/2000 02:58:16 PM

Record Type: Record

To: Ruby Shamir/WHO/EOP

cc:

Subject: Background on Micro Bill

Wrong w/ Congressman Gilman's
office. He's talked to
Helm's person on foreign
relations - Garret Briggs on
\$150 for both '01 + '02 + willing
to bridge
Hoping that Biden + Dodd

Hi Ruby,

Here is the background on the microenterprise bill.

If Melanne could weigh in soon with Biden (particular) and Dodd, that
would be helpful.

Let me know if you have any questions.

Lawrence

----- Forwarded by Lawrence Yanovitch/FINCA on 08/01/00 02:58 PM -----

Laura Foose

To: Lawrence Yanovitch/FINCA@FINCA

08/01/00

cc:

02:11 PM

Subject: info on Heather Flynn and Janice
O'Connell

USAID can lend \$150
majority of \$ comes from dev.
assist. acct
b/c they don't like
earnings.

HR + Sen Committees
will meet next wk

Biden + Dodd deferring
Helm's now - they
first want a bill

Hi, in the message below Adolfo Franco, Gilman's staffer, said that it
would help for Mrs. Clinton's office to call Janice O'Connell of Dodd's
staff and Heather Flynn of Biden's staff to weigh in on supporting \$167
million for FY2001 and FY2002. He also said to weigh in on the
Microenterprise Coalition's position of regional loan proxies of \$300, \$400
and \$1000.

The phone number for both of them is 224-3953.

Rationale behind our numbers:

1. On funding levels of \$167 million for 2001 and 2002.

The House International Relations Committee and Microenterprise Coalition
are advocating for \$167 for both years while the Senate Foreign Relations
Committee is pushing for \$150 million for both years. Setting the funding
level at \$150 million through 2002 would hamper this fast growing industry
which already has the absorptive capacity to be spending well beyond \$150

Micro coalition agreed

\$150 \$167

Sen for Rtns

\$150 \$150

million per year in the field. In addition, the House Appropriations Committee Chairman Callahan last month made a commitment to Congressman Roemer (who offered an amendment to the Foreign Approps bill for microenterprise at \$167 million) to work with him in Conference to come up with an appropriation for Microenterprise Funding of up to \$167 million. Therefore, if it is likely that appropriations will yield up to \$167 million for 2001, it does not make sense to cap the amount the sector could receive in an authorization bill of \$150 million.

2. On regional loan proxies:

While Congressman Gerdenson's and Senator Dodd's offices have raised the possibility of lowering the regional loan proxies, and this proposal is seen as positive by many members of the Microenterprise Coalition, the Coalition feels it is important to honor the negotiations that took place between it and USAID to come up with \$300 for Africa and Asia, \$400 for Latin America, and \$1000 for Europe and Eurasia.

Under no circumstances does the Coalition support a worldwide \$500 loan size, or any change in the regional loan proxies that would raise the loan amounts beyond the current 300,400 and 1000.

Laura B. Foose
Manager of Policy and Program Development
FINCA International, Inc

----- Forwarded by Laura Foose/FINCA on 07/27/00 04:40 PM -----

"Franco, Adolfo"

<Adolfo.Franco@mail.
house.gov>

To: "lfoose@villagebanking.org"
<lfoose@villagebanking.org>

CC:

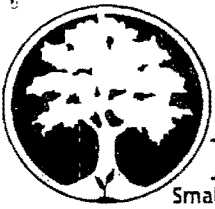
07/27/00 01:32 PM

Subject: RE: foreign ops omnibus?

Chairman Gilman will insist on a good bill with the Senate Foreign Relations Committee and not compromise on a low level that would set us back. If you would please call Senate Committee staff on our position I believe that it will be of help. I'll keep you posted on developments.

Thanks,

Adolfo



FINCA
Small Loans-Big Changes

1101 14th Street, N.W., Suite 1100, Washington, DC 20005 ♦ 202 682-1510 ♦ Fax 202 682-1535 ♦ E-MAIL finca@villagebanking.org

FAX TRANSMISSION

To: Ruby Shuman
Fax #: 456-6244
From: Brenda
Date: 9/10
Pages (including this cover sheet): 2
Subject: Micro Bill

Ruby -

f/x - Lawrence wanted McKame
to see what else is in bill. I don't
think anything is controversial, but wanting
to hear back from Adelle re. anticipated
holds (if there are any). Any word on Peter/Dadd
Bill's?
Brenda

CONFIDENTIALITY NOTE:

The information contained in this facsimile message is legally privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this facsimile is strictly prohibited. If you have received this facsimile in error, please immediately notify us by telephone and return the original message to us at the address above via the U.S. Postal Service.

Thank you.

MICROENTERPRISE BILL

Amend H.R.1143 with substitute amendment which is the modified text of S.2844, plus additional agreed upon legislative items.

Highlights of Amendment

- Authorizes \$155,000,000 for fiscal years 2001 & 2002.
- Keeps administrative expenses cap contained in S.2844.
- Loan limits changed from \$1,000 for Europe & Eurasia to \$750.
- Creates Accelerated Growth Fund to provide support to microenterprise institutions with advanced capabilities.
- Makes \$1,500,000 available to carry out sec. 108 (Micro & small enterprise development credits).
- Includes from S.2382 sec. 201 (Development Assistance Policy) and sec. 204 (Working Capital Fund), at the request of the Administration.
- Includes modified text of H.R. 4697, Rep. Gejdenson's Anti-Corruption bill.
- Increases U.N. housing cap for employees of U.S. Mission in NY at Administration's request.
- Includes text of H.R.4528, Rep. Gilman's "International Academic Opportunity Act of 2000", as modified by Senate Labor Committee.
- Reauthorizes "Availability of Voice of America & Radio Marti Multilingual Computer Readable Text & Voice Recordings".
- Includes text of H.R.4528, Rep. Bereuter's "Support for Overseas Cooperative Development Act", as modified.
- Includes text of S.2998, Sen. Hutshison's "Paul D. Coverdell Fellows Program".
- Sense of Congress on Mexico elections (Sen. DeWine).
- Includes the following miscellaneous provisions from S.2382: sec. 206 (Funding of certain environmental assistance activities of USAID), sec. 210 (Nonmilitary education and anticorruption assistance) and sec. 212 (Processing of applications for Denton Amendment program).

1. Affing
imposition of
restrictions
on a site

Body wants
to eliminate
H.R. 4528 (George
H.W. Bush
fundraising)

try to get
and we go



FINCA INTERNATIONAL, INC.

1101 14th Street, N.W., Suite 1100, Washington, DC 20005 ♦ 202 682-1510 ♦ Fax 202 682-1535 ♦ E-MAIL finca@villagebanking.org

FAX TRANSMISSION

To: Ruby Shamir
Fax #: 456 6244
From: Susanna J. Seltzer
Date: 28 September 2000
Pages (including this cover sheet): 2
Subject:

URGENT

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	To Ruby Shamir from Lawrence Yanovitch re: Latest Micro Status (partial) (1 page)	09/28/00	P6/b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Ruby Shamir (Subject Files)
OA/Box Number: 23246

FOLDER TITLE:

International Microcredit

2012-0565-S

ry1258

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



Lawrence Yanovitch

09/28/00 04:25 PM

To: Ruby_Shamir@who.eop.gov

cc:

Subject: Urgent: Latest Micro Status

Hi Ruby,

We just spoke with Adolfo Franco from Gilman's office.

Here is the deal. There is one day left in the House next week to take action.

We have a couple of hours left today for Biden's office to

1. Wrap up negotiations with Gejdenson.
2. Biden needs to tell Daschle that this is a priority and that he supports Helms in putting the bill on the schedule to pass it forward on unanimous consent tonight.

This is the last few hours that the Senate is working because it has to be ready to be passed on Tuesday which is the only day the House International Relations has open to pass the bill before appropriations

We hear that they are meeting with Gejdenson's staff and working on step one right now.

Gilman and Gejdenson said that a call from Melanne NOW could be absolutely strategic in getting Biden to wrap it up and use his weight with Helms to move the bill

If we lose this window, we risk losing the Bill and a decade's worth of work.

Please call me as soon as you know if Melanne has called.

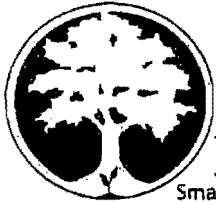
Thanks for everything.

Lawrence

you can reach me on my cell after hours at [REDACTED]

[001]

agreed



FINCA
Small Loans-Big Changes

1101 14th Street, N.W., Suite 1100, Washington, DC 20005 ♦ 202 682-1510 ♦ Fax 202 682-1535 ♦ E-MAIL finca@villagebanking.org

FAX TRANSMISSION

To: Ruby Shaurir

Hi Enel

Fax #: 456-6244

From: Brenda

Date: 9/26

Pages (including this cover sheet): 9

Subject: General Background on Latin American Rep

+ some Cejaensen Cong Record Statement

Please Please Please call me asap - Laurence
is about to jump off his seat! He had another
conversation w/ Rep. Ceballos & the staff saying
that Thiago is the way the way must be.

Brenda

CONFIDENTIALITY NOTE:

The information contained in this facsimile message is legally privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this facsimile is strictly prohibited. If you have received this facsimile in error, please immediately notify us by telephone and return the original message to us at the address above via the U.S. Postal Service.

Thank you.

THIS SEARCH	THIS DOCUMENT	THIS CR ISSUE	GO TO
Next Hit	Forward	Next Document	New CR Search
Prev Hit	Back	Prev Document	HomePage
Hit List	Best Sections	Daily Digest	Help
	Doc Contents		

INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000
(House of Representatives - July 25, 2000)

[Page: H6950] [GPO's PDF](#)

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4697) to amend the Foreign Assistance Act of 1961 to ensure that United States assistance programs promote good governance by assisting other countries to combat corruption throughout society and to promote transparency and increased accountability for all levels of government and throughout the private sector, as amended.

The Clerk read as follows:

H.R. 4697

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'International Anti-Corruption and Good Governance Act of 2000'.

SEC. 2. FINDINGS AND PURPOSE.

(a) **Findings:** The Congress finds the following:

- (1) Widespread corruption endangers the stability and security of societies, undermines democracy, and jeopardizes the social, political, and economic development of a society.
- (2) Corruption facilitates criminal activities, such as money laundering, hinders economic development, inflates the costs of doing business, and undermines the legitimacy of the government and public trust.
- (3) In January 1997 the United Nations General Assembly adopted a resolution urging member states to carefully consider the problems posed by the international aspects of corrupt practices and to study appropriate legislative and regulatory measures to ensure the transparency and integrity of financial systems.
- (4) The United States was the first country to criminalize international bribery through the enactment of the Foreign Corrupt Practices Act of 1977 and United States leadership was instrumental in the passage of the Organization for Economic Cooperation and Development (OECD) Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions.

- (5) The Vice President, at the Global Forum on Fighting Corruption in 1999, declared corruption to be a direct threat to the rule of law and the Secretary of State declared corruption to be a matter of profound political and social consequence for our efforts to strengthen democratic governments.
- (6) The Secretary of State, at the Inter-American Development Bank's annual meeting in March 2000, declared that despite certain economic achievements, democracy is being threatened as citizens grow weary of the corruption and favoritism of their official institutions and that efforts must be made to improve governance if respect for democratic institutions is to be regained.
- (7) In May 1996 the Organization of American States (OAS) adopted the Inter-American Convention Against Corruption requiring countries to provide various forms of international cooperation and assistance to facilitate the prevention, investigation, and prosecution of acts of corruption.
- (8) Independent media, committed to fighting corruption and trained in investigative journalism techniques, can both educate the public on the costs of corruption and act as a deterrent against corrupt officials.
- (9) Competent and independent judiciary, founded on a merit-based selection process and trained to enforce contracts and protect property rights, is critical for creating a predictable and consistent environment for transparency in legal procedures.
- (10) Independent and accountable legislatures, responsive political parties, and transparent electoral processes, in conjunction with professional, accountable, and transparent financial management and procurement policies and procedures, are essential to the promotion of good governance and to the combat of corruption.
- (11) Transparent business frameworks, including modern commercial codes and intellectual property rights, are vital to enhancing economic growth and decreasing corruption at all levels of society.
- (12) The United States should attempt to improve accountability in foreign countries, including by--
- (A) promoting transparency and accountability through support for independent media, promoting financial disclosure by public officials, political parties, and candidates for public office, open budgeting processes, adequate and effective internal control systems, suitable financial management systems, and financial and compliance reporting;
 - (B) supporting the establishment of audit offices, inspectors general offices, and anti-corruption agencies;
 - (C) promoting responsive, transparent, and accountable legislatures that ensure legislative oversight and whistle-blower protection;
 - (D) promoting judicial reforms that criminalize corruption and promoting law enforcement that prosecutes corruption;
 - (E) fostering business practices that promote transparent, ethical, and competitive behavior in the private sector through the development of an effective legal framework for commerce, including anti-bribery laws, commercial codes that incorporate international standards for business practices, and

protection of intellectual property rights; and

(F) promoting free and fair national, state, and local elections.

(b) **Purpose:** The purpose of this Act is to ensure that United States assistance programs promote good governance by assisting other countries to combat corruption throughout society and to improve transparency and accountability at all levels of government and throughout the private sector.

[Page: H6951] GPO's PDF

SEC. 3. DEVELOPMENT ASSISTANCE POLICIES.

(a) **General Policy:** Section 101(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151(a)) is amended in the fifth sentence--

(1) by striking 'four' and inserting 'five';

(2) in paragraph (3), by striking 'and' at the end;

(3) in paragraph (4), by striking the period at the end and inserting '; and'; and

(4) by adding at the end the following:

'(5) the promotion of good governance through combating corruption and improving transparency and accountability.'

(b) **Development Assistance Policy:** Paragraph (4) of the third sentence of section 102(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151-1(b)) is amended--

(1) in subparagraph (E), by striking 'and' at the end;

(2) in subparagraph (F), by striking the period at the end and inserting '; and'; and

(3) by adding at the end the following:

'(G) progress in combating corruption and improving transparency and accountability in the public and private sector.'

SEC. 4. DEPARTMENT OF THE TREASURY TECHNICAL ASSISTANCE PROGRAM FOR DEVELOPING COUNTRIES.

Section 129(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151aa(b)) is amended by adding at the end the following:

'(3) **Emphasis on anti-corruption:** Such technical assistance shall include elements designed to combat anti-competitive, unethical and corrupt activities, including protection against actions that may distort or inhibit transparency in market mechanisms and, to the extent applicable, privatization procedures.'

SEC. 5. AUTHORIZATION OF GOOD GOVERNANCE PROGRAMS.

(a) **In General:** Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following:

 SEC. 131. PROGRAMS TO ENCOURAGE GOOD GOVERNANCE.

(a) **Establishment of Programs:**

(1) **In general:** The President is authorized to establish programs that combat corruption, improve transparency and accountability, and promote other forms of good governance in countries described in paragraph (2).

(2) **Countries described:** A country described in this paragraph is a country that is eligible to receive assistance under this part (including chapter 4 of part II of this Act) or the Support for East European Democracy (SEED) Act of 1989.

(3) **Priority:** In carrying out paragraph (1), the President shall give priority to establishing programs in countries that received a significant amount of United States foreign assistance for the prior fiscal year, or in which the United States has a significant economic interest, and that continue to have the most persistent problems with public and private corruption. In determining which countries have the most persistent problems with public and private corruption under the preceding sentence, the President shall take into account criteria such as the Transparency International Annual Corruption Perceptions Index, standards and codes set forth by the International Bank for Reconstruction and Development and the International Monetary Fund, and other relevant criteria.

(4) **Requirement:** Assistance provided for countries under programs established pursuant to paragraph (1) may be made available notwithstanding any other provision of law that restricts assistance to foreign countries. (see ¶ 2)

(b) **Specific Projects and Activities:** The programs established pursuant to subsection (a) shall include, to the extent appropriate, projects and activities that--

(1) support responsible independent media to promote oversight of public and private institutions;

(2) implement financial disclosure among public officials, political parties, and candidates for public office, open budgeting processes, and transparent financial management systems;

(3) establish audit offices, inspectors general, and anti-corruption agencies;

(4) promote responsive, transparent, and accountable legislatures that ensure legislative oversight and whistle-blower protection;

(5) promote legal and judicial reforms that criminalize corruption and law enforcement reforms and development that encourage prosecutions of criminal corruption;

(6) assist in the development of a legal framework for commercial transactions that fosters business practices that promote transparent, ethical, and competitive behavior in the economic sector, such as commercial codes that incorporate international standards and protection of intellectual property rights;

(7) promote free and fair national, state, and local elections;

(8) foster public participation in the legislative process and public access to government information; and

(9) engage civil society in the fight against corruption.

(c) **Conduct of Projects and Activities:** Projects and activities under the programs established pursuant to subsection (a) may include, among other things, training and technical assistance (including drafting of anti-corruption, privatization, and competitive statutory and administrative codes), drafting of anti-corruption, privatization, and competitive statutory and administrative codes, support for independent media and publications, financing of the program and operating costs of

nongovernmental organizations that carry out such projects or activities, and assistance for travel of individuals to the United States and other countries for such projects and activities.

(d) **Annual Report:**

(1) **In general:** The President shall prepare and transmit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate an annual report on--

(A) projects and activities carried out under programs established under subsection (a) for the prior year in priority countries identified pursuant to subsection (a)(3); and

(B) projects and activities carried out under programs to combat corruption, improve transparency and accountability, and promote other forms of good governance established under other provisions of law for the prior year in such countries.

(2) **Required contents:** The report required by paragraph (1) shall contain the following information with respect to each country described in paragraph (1):

(A) A description of all United States Government-funded programs and initiatives to combat corruption and improve transparency and accountability in the country.

(B) A description of United States diplomatic efforts to combat corruption and improve transparency and accountability in the country.

(C) An analysis of major actions taken by the government of the country to combat corruption and improve transparency and accountability in the country.

(e) **Funding:** Amounts made available to carry out the other provisions of this part (including chapter 4 of part II of this Act) and the Support for East European Democracy (SEED) Act of 1989 shall be made available to carry out this section.

(b) **Deadline for Initial Report:** The initial annual report required by section 131(d)(1) of the Foreign Assistance Act of 1961, as added by subsection (a), shall be transmitted not later than 180 days after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. Gallegly) and the gentleman from Connecticut (Mr. Gejdenson) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. Gallegly).

GENERAL LEAVE

Mr. GALLEGLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative

days within which to revise and extend their remarks and include extraneous material on H.R. 4697, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as may consume.

Mr. Speaker, I rise in support of H.R. 4697, a bill introduced by the gentleman from Connecticut (Mr. Gejdenson), the ranking member of the Committee on International Relations.

This bill amends the Foreign Assistance Act of 1961, to authorize the President to establish programs that combat corruption in developing countries by promoting principles of good governance designed to enhance oversight of private and public programs.

Mr. Speaker, this bill will strengthen our foreign assistance program and represent a sound investment for the future of good governance of developing societies.

I urge my colleagues to vote for its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California (Mr. Gallegly) for his kind words and just join him first in thanking him for his efforts and others on the committee. I would also like to thank particularly on my staff, Nisha Desai, that has done so much work in this area, obviously the gentleman from Arizona (Mr. Kolbe), the gentlewoman from Florida (Ms. Ros-Lehtinen) and the gentleman from New York (Chairman Gilman).

When we look at this issue, and it is a critical issue in a number of areas, and I want to just go through them quickly. One, the estimates are we have lost \$26 billion to bribery with contracts where American companies were in competition. Unethical business practices jeopardize fledgling democracies. It destroys the people's support and trust in their government. It aids criminal transactions.

Vice-President Gore convened a global conference on fighting corruption. We are now seeing progress. Some of our allies in the G-7 that at one point a number of them provided that one could deduct bribes given to other government officials are finally moving to end this practice.

For our part, AID and the administration and Congress have tried to root out corruption and bribery. It makes a big difference especially in the poorest countries as they try to establish good governance and governments that provide the services that their constituents dearly need.

American leadership has led to a beginning to end these corrupt practices. This legislation will help focus our foreign assistance and other government activities to try to work with governments to develop a procedure to root out corruption and bribery.

I urge support of the bill.

-
- Over the past five years, U.S. firms overseas lost nearly \$26 billion in business opportunities to foreign competitors offering bribes. Unethical business practices continue to jeopardize our ability to compete effectively in the international market.
- Bribery and other forms of corruption impede governments in their efforts to deliver basic services to their citizens; they undermine the confidence of people in democracy; and they are all too often linked with transborder criminal activity, including drug trafficking, organized crime, and money laundering.
- In 1999, the Vice President convened a Global Conference on Fighting Corruption where he declared corruption to be a direct threat to the rule of law and a matter of profound political and social consequence for our efforts to strengthen democratic governments. It is inarguably in the U.S. national interest to fight corruption and promote transparency and good governance. My bill will make anti-corruption measures a key principle of our Foreign AID program.
- By helping these countries root out corruption, bribery and unethical business practices, we can also help create a level playing field for U.S. companies doing business abroad.
- Then Congress passed the Foreign Corrupt Practices Act in 1977, the United States became the first industrialized country to criminalize corruption. It took us nearly two decades to get all the other industrialized nations to do the same. But American leadership and perseverance succeeded in getting countries which once offered tax write-offs for bribes to pass laws that criminalized bribery.
- This bill extends our leadership in fighting corruption to the developing countries. The International Good Governance and Anti-Corruption Act of 2000 requires that foreign assistance be used to fight corruption at all levels of government and in the private sector in countries that have persistent problems with corruption, particularly where the United States has a significant economic interest. The bill would also require an annual report on U.S. efforts in fighting corruption in those countries which have the most persistent problems. My intent in requiring this report is to get from the Administration a comprehensive look at all U.S. efforts--diplomatic as well as through our foreign aid program--in those 15-20 countries where we have a significant economic interest or a substantial foreign aid program AND where there is a persistent problem with corruption. This bill makes an important contribution to pro-actively preventing crises that would result from stifled economic growth, lack of foreign investment, and erosion of the public's trust in government. I urge my colleagues to support H.R. 4697.

Mr. Speaker, I reserve the balance of my time.

[Page: H6952] GPO'S PDF

Mr. GALLEGLY. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. Kolbe).

Mr. KOLBE. Mr. Speaker, I thank the gentleman from California for yielding me this time. I again

want to thank him for his leadership on this and certainly the gentleman from Connecticut (Mr. **Gejdenson**) for introducing this very important legislation, which I think is really very much underestimated in terms of its importance.

For decades, the United States has carried the standard in promoting democracy, market liberalization, economic development abroad.

[TIME: 2310]

To further those goals, we have spent literally billions of dollars in developing countries in our aid programs. And those aid programs have made substantial progress. Underdeveloped nations have seen their economies bloom over the last few decades. We have seen democracy take root in some of the rockiest soil on this globe. Thanks to the creation of the World Trade Organization a few years ago, the vast majority of international trade is now governed by clear and transparent rules.

THIS SEARCH[Next Hit](#)[Prev Hit](#)[Hit List](#)**THIS DOCUMENT**[Forward](#)[Back](#)[Best Sections](#)[Doc Contents](#)**THIS CR ISSUE**[Next Document](#)[Prev Document](#)[Daily Digest](#)**GO TO**[New CR Search](#)[HomePage](#)[Help](#)
