

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

(Mr. HORN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. ALLEN) is recognized for 5 minutes.

(Mr. ALLEN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### BANKRUPTCY REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, very soon now the Chamber will be witnessing the great debate possibly of this year, namely, that which will be conducted on proposals for bankruptcy reform. Everyone in the country knows that a strange thing is occurring out in the economic world. While all the figures and all the reports as to the economy seem to be favorable with an expanding economy, more jobs, inflation kept under wraps, interest rates being held constant, all these excellent factors are occurring, while at the same time, Mr. Speaker, an astounding number of bankruptcies have been filed.

In 1997 alone, 1,400,000 new bankruptcies were filed. That is a monumental increase from the year before and even a greater disparity from that which has occurred in the last several years. What does it mean? If indeed the economy is improving and yet we have these bankruptcies, something is wrong.

We have witnessed now efforts to meet that crisis head on. And the bankruptcy reform bill which we have created and which is making its way through the Committee on the Judiciary even now and will reach the floor, as I said, shortly for our full debate on the floor carries two vital principles with it, which principles are at this core of what we are attempting to do.

One is that we will make certain that every individual American who becomes so overwhelmed with debt that he and his family cannot survive if he has to meet those obligations that he has incurred, we want to accommodate that individual and make sure that the family will have a fresh start. That is one principle, the fresh start.

On the other hand, the other principle is that in those cases where an ability to repay some of the debt is demonstrated, we must make every effort to produce a plan and to accommodate that individual in a way that some of that debt can be repaid.

Those are the two principles: A fresh start for those who need it and an accommodation for repayment of some of the debt where the possibility of repayment is sound.

What has happened, though, is that we hear rumors and innuendos about what we are attempting to do. But I must tell my colleagues that the cost of individual bankruptcies to the American public is something that has to be laid on the record. We are not simply talking about the loss to the lenders or the creditors who will not be repaid when someone goes bankrupt. That in itself is a loss. But when we interpolate that as to what it means to the consumers, we will recognize that when someone does not pay his debts, and the supermarket with which we are so familiar has had debt on its books and is not repaid, what happens? The prices for consumer goods have to increase, so the rest of us are picking up the cost by increased prices of what has happened in that bankruptcy.

Number 2, the interest rates that are so correlated with the lending and the credit establishment of our country are hurt when people file bankruptcy, especially in these record numbers. And so, we will see that those of us who require credit and want to seek a bona fide lender for a mortgage or an automobile will find that the interest rates are hurt by the fact that they were not able to retrieve bad debt in previous bankruptcies.

Moreover, we lose as taxpayers. We learned during the testimony that we have conducted in several hearings in the last month that when taxing authorities like States and municipalities are themselves named in a bankruptcy and do not have the ability to recover, then they have a shortfall in the revenues in their municipality, in their neighborhood, in the county courthouse, and in the State coffers, meaning that the rest of us have to make up the difference with increased tax payments and revenues. So we pay all the way around.

But what I want to emphasize in our plans for our reform measure is that we are going to do everything we can to help small businesses, to help the family, to make sure that support payments that are forthcoming from a breadwinner are not dischargeable in bankruptcy. That is, we want to make sure that the families that receiving support payments will continue to receive those support payments whether or not the individual goes bankrupt. And the entire country will be better off once we reform the bankruptcy system.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. HUTCHINSON) is recognized for 5 minutes.

(Mr. HUTCHINSON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### THE LOUDEST VOICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I want to begin by talking and taking a moment to talk about two groups that are not widely discussed on the floor. The first is Mother Jones, and the second is USA Engage.

Mother Jones, or "MoJo," is a national magazine of investigative journalism focusing on political reporting. Ken Silverstein wrote an article in the June 1998 issue of Mother Jones detailing the creation of USA Engage. This group hired Washington lobbyist Anne Wexler to try to make sure nothing gets in the way of promoting international trade with countries around the world whose governments are renowned for brutal fear-biased repression of their own people. The human rights records of those countries are made more dismal by widespread torture, terror, imprisonment, persecution and killing of those that do not walk the line.

According to MoJo, some of America's largest businesses have given their proxy to USA Engage to deal with these countries having a history of repressing their own people. I know these companies are run by good and decent people who are probably not aware of the range of activities in which the Wexler Group is intensely involved on behalf of USA Engage. I am sure that their stockholders and customers are not aware of them and would be shocked and angered if they were.

According to the magazine, Anne Wexler has assembled a daunting army for her assault on Washington that includes a former U.S. Trade Representative, former Members of Congress, a former close staffer of the President, the former law firm of the State Department official who heads up the committee charged with reviewing proposed sanctions, and others. And look at what they have accomplished: Instant access to Congress and the ear of the State Department officials charged with assessing human rights violations; pro-trade studies from pricey and prestigious think tanks; the matching-up and contact of religious groups and leaders interested in human rights around the world by business reps thought to have special influence or sway.

MoJo quotes human rights advocate Simon Billenness, talking about the important role economic sanctions played in ending South Africa's apartheid regime. "If USA Engage had succeeded with these tactics during these apartheid years, Nelson Mandela might still be in prison." I recognize these companies can hire whomever they choose, but there are consequences.