Thank you, Mr. Chairman; and thank you, Madam

Secretary, for testifying here today.

The *Wall Street Journal* on Friday opined that the Clinton Administration,

the government, can be faulted for assuming that

merely schmoozing with Russian leaders and funneling huge sums

of money to them would help Russia recover. They wrote that backing

the wrong Russian politicians, seeing no evil and insufficiently

monitoring the use of Western money, these policies aggravated

and entrenched the worst tendencies in post-communist Russia

while wasting the precious goodwill America had with Russian people

in the period just after they overthrew communism.

Why do you think the top U.S. officials did not cut off their support

for IMF loans and debt rescheduling for the Yeltsin government

in 1995 and 1996 when that government set up the thoroughly

corrupt loans for shares privatization in the highly speculative

GKO bond market?

But the foreign minister of Russia said, I have told

Secretary Summers unless we have strings on this money, it will

end up in an off-shore bank account.

But not on the IMF loans.