

the transport plane in Russia and personally directed the distribution.

Mr. Speaker, these are only a few examples culled from a lifetime spent serving people. As his friend, I know that Bert is the kind of person who, when faced with a challenge, never wonders whether something can be done. He is the kind of person who is always willing to do whatever it takes to make a difference.

LOBBYIST DISCLOSURE REFORM

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MILLER of California. Mr. Speaker, Kevin Phillips has called the Contract With America a "dubious mix of reforms, gimmicks and con jobs."

I call it a "friendly corporate take-over of the Congress" because the new Republican leadership has been encouraging lobbyists to serve as de facto official staff in drafting and amending legislation.

I am not being naive about the existence, or the value, of lobbyists. But with the carte blanche provided them by the Republican leadership, lobbyists can contaminate the legislative process. And they have.

The headline in last Friday's New York Times said it all: Business Leaves the Lobby and Sits at Congress's Table.

Time magazine says that the Republican leadership "has attached its fortunes to private lobbyists, and is relying on their far-flung influence to pass its agenda." Newsweek says that lobbyists are actually writing the bills. And they have it exactly right.

Corporate representatives, individually and through coalitions like the Thursday Group, have been writing whole bills and amendments, with no public review and often without hearings, to serve their clients' narrow interests. Little wonder that the Contract With America has been described as "a triumph for business interests, who * * * find themselves a full partner of the Republican leadership in shaping congressional priorities." The arm-length relationship between lobbyist and legislator has been brazenly abandoned.

The examples are stunning: A committee of lobbyists rewrites the Clean Water Act "to satisfy industry groups like the Chemical Manufacturers Association." Lobbyists, working from a Capitol office, plot the strategy and drafting of bills on regulatory reform and risk assessment. A lobbyist for the Wholesale Distributors develops the strategy on the product liability bill from an office provided by Republicans. A former Republican congressman is allowed to sit on the committee dais during a hearing on matters affecting his current client.

With all due respect, what is going on here?

I frankly do not know what is more disturbing: that these abuses are occurring, or that the Republican leadership and membership appear unconcerned and unaware that these practices degrade the democratic process.

The American people did not vote last year to turn the legislative process over to lobbyists to rewrite our health and safety laws, our environmental laws, and our tax laws for the benefit of their corporate employers. And the Congress cannot allow this abuse to continue.

Today, I am introducing an amendment to the House rules to require full disclosure of

the role of all nonpublic employees in the drafting of legislation, amendments, reports and other products of the legislative process.

I note that Speaker GINGRICH was questioned about the substantial role of lobbyists in drafting the Contract, and replied, "As long as it's out in the open, I have no problem."

My resolution assures that lobbyists' handiwork will be "out in the open," and I think the integrity of the Congress requires that it be adopted without delay.

REPORT ON HAITI

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. RICHARDSON. Mr. Speaker, I commend to my colleagues a report drafted by Congressman JACK REED. The report: "The Situation in Haiti—March 1995" is an excellent overview of what the United States has managed to accomplish since United States troops were introduced in Haiti in order to help restore democracy. The report also looks at Haiti's immediate future and provides insight into what can be expected in Haiti after the departure of many of the United States military personnel currently on duty there. Perhaps most important, the Reed report serves as an excellent primer on the security situation in Haiti, future United Nations involvement in Haiti, attempts to create a new Haitian police force, the re-creation of a justice system, the prospects for fair and open elections, and the outlook for economic development in Haiti.

Congressman REED wrote his remarks after a recent second visit in Haiti. Last year, JACK REED and I travelled to Haiti together. At that time, I found his perspective there to be very helpful. As a former company commander in the 82d Airborne Division, Army Ranger, and West Point graduate, JACK REED has the ability to look at a foreign policy problem from a soldier's point of view. JACK REED also is not afraid to do some heavy lifting when it comes to forming his own opinions. In the last few years, in addition to his trips to Haiti, Congressman REED traveled to Somalia twice and to Bosnia. After each trip, Representative REED sits down and drafts a report on what he learned from his travels. I ask that a summary of his most recent report, "The Situation in Haiti—March 1995" be printed in the CONGRESSIONAL RECORD. Members interested in reviewing the complete text of Congressman REED's report should contact the Congressman's Capitol Hill office.

THE SITUATION IN HAITI—MARCH 1995

(By Congressman Jack Reed)

INTRODUCTION

On March 10 and 11, I travelled to Haiti with a Congressional delegation led by Benjamin A. Gilman, Chairman of the House Committee on International Relations. The particular focus of my efforts was to assess the security posture of Haiti in light of the scheduled transition from the American-led Multi-National Force (MNF) to the American-led United Nations Mission in Haiti (UNMIH). Based on this assessment, a further evaluation of the prospects for developing a stable, democratic government in Haiti may be made.

AMERICAN MILITARY FORCES

As an initial point, the superb performance of American military personnel must be rec-

ognized. The skill, discipline and professionalism of the American forces are in keeping with the highest standards of our Armed Forces.

Outstanding leadership has been demonstrated by the principal commanders, including, but not limited to, MG George Fisher, Commanding General of the 25th LID, BG Paul Hill, The Assistant Division Commander of the 25th LID, and COL Charles Swannack, Commander of the 2d Brigade of the 25th LID.

The success of United States military forces is also attributable to the effective working relationship with the American embassy. Ambassador Swing is a consummate professional who continues to provide great leadership in a demanding situation.

SECURITY SITUATION

The assessment of the principal commanders and soldiers in the field is that there is no organized, military threat to the MNF or UNMIH. Sporadic violence exists, but it does not appear to be based on political motivation, rather it stems from criminal activity or domestic violence.

MG Fisher is confident that he has effectively accounted for all members of FAH'D (the former Haitian army/police). These individuals are part of the Interim Police (after proper vetting), employed by other ministries of the Haitian Government, or involved in public works programs.

In addition, there does not appear to be large scale stocks of military weapons which potentially could arm a dissident force. Shotguns and handguns are prevalent in private hands, but are increasingly rare on the streets.

Evidence of the improved security situation was obvious in my nighttime patrol of Port au Prince with COL Swannack. We observed several roadblocks being conducted by elements of the 2d Calvary. In the course of the evening, these control points stopped several hundred vehicles and no weapons were found.

The present, tranquil situation should not be allowed to mask continuing and fundamental tensions within Haitian society which could, in the absence of international forces or a capable local police, explode into destabilizing violence. Nevertheless, at this juncture, there does not seem to be any potential military threat to the transition to UNMIH. Although there is speculation that opponents of democracy may try to test UNMIH after the departure of MNF, the large and continuing presence of American personnel and the continued leadership of MG Kinzer significantly diminishes this potential.

From a security standpoint, the next critical crossroad is the scheduled departure of UNMIH in February of 1996. The ability of UNMIH to successfully depart and, conversely, the ability of the Government of Haiti to function without a large, international military presence is dependent upon the accomplishment of several critical tasks. The major challenges that must be met are: (1) the creation of a professional and non-political police force, (2) the successful conclusion of scheduled elections, (3) the reform of the judicial and prison systems and (4) the initiation of sustainable economic development.

POLICE FORCES

Having visited Somalia twice during the recent deployment of United States personnel, I am particularly sensitive to the need to create a credible, stable and democratically oriented police force. In Somalia, the

failure to even begin this effort was one of the major contributing factors to the overall failure of the mission there.

Efforts to date indicate that MNF and UNMIH are trying to avoid this mistake. The MNF quickly stood-up an Interim Police ("IPSF"). These police were culled from vetted members of the FAH'D and from Haitians in Guantanamo. They received six days of training. Their role is carefully circumscribed so that they do not operate independently of MNF forces and the International Police Monitors ("IPM").

The IPSF will be a bridge to a new permanent police force which is currently in training. Unlike the IPSF, the permanent police force has been recruited to avoid former members of FAH'D.

The MNF has established rigorous selection criteria and a demanding training program for the permanent police. Contrary to tradition, candidates for the permanent police were selected by both physical and academic examinations. The MNF specifically rejected the "recommendations" of local political leaders. The initial pass rate was 9% for the first exam (661/7,736). The pass rate is 19% for the current exam (164/868).

Although an impressive start has been made to constitute an effective police force, key questions remain. Primary among these questions is the command structure. Aristide has indicated that he would like the police to be controlled by local mayors, but with a national "Director General" who would be charged with overall supervision of the police. Since the police will emerge as the only effective armed force in the country, the control of the police will be a critical decision. A police solely under the control of a national leader could quickly come to dominate the political scene. On the other hand, local control could lead to multiple power bases throughout the country with the potential for conflict. Careful thought should be given to the command relationships of the police.

In a related point, Aristide has indicated that he does not favor the recreation of an army. If no army is created, then the permanent police will likely have to be expanded to take on the tasks of border patrol, customs collections and other functions that are carried out by uniformed forces.

The decision has been made to provide strong economic incentives to attract the best candidates and to ensure as much as possible that the police avoid corruption. As such, police are scheduled to receive compensation on the order of \$365 a month which is roughly the annual per capita income of Haiti. This raises the possibility of creating an economic elite. Nevertheless, the alternative of an inadequately paid police raises the possibility of a quick reversion to the corruption of the police which existed under previous regimes.

THE SYSTEM OF JUSTICE

Closely related to the need for an effective police force is the necessity for effective judicial and penitential systems.

The judicial system is plagued by corruption, incompetence and archaic procedures. The result is a system where a prisoner can languish in jail for five years before he even sees a judge for a preliminary hearing.

The penal system is equally in disarray. I visited the jail adjacent to the police station in Petionville. Under the direction of United States military police, the jail had been cleaned and reorganized. On their arrival, it was filthy with inadequate sanitation. There was no real accountability of prisoners nor even rudimentary programs to maintain the health of the prisoners. The entire penal and judicial system has to be overhauled.

Since a fundamental reform of the Haitian judicial system may require a change of the

Constitution, I asked President Aristide if he would support such efforts. He indicated strong support for such changes and spoke passionately in decrying the current shortcomings of the judicial system.

THE CONDUCT OF ELECTIONS

The credibility of the Haitian government and the international community will be decisively tested by the outcome of scheduled elections. At this time, parliamentary elections are scheduled for June 4, with a run-off scheduled for June 25. The national election to select the next President to succeed President Aristide is scheduled for December with the new President to assume office in February of 1996. (UNMIH will depart in February, 1996 coincident with the installation of the new President.)

The elections provide a daunting political as well as logistical challenge. Over 9,000 polling booths and 30,000 to 40,000 election officials must be organized. All of this in a country where communication and transportation are severely limited and the potential for violence is persistent.

To deal with these challenges, MG Kinzer will redeploy UNMIH forces to specifically prepare for the elections.

Another good sign for the election is the presence among the UN staff of Mr. Dong [phonetic] who has direct UN responsibilities for the election. Dong is a veteran of the Haitian elections in 1987 and 1990. Coincidentally, the Nepalese contingent commander just finished providing security for elections in Nepal. He brings immediate experience and expertise to the UN effort.

Successful conclusion of the parliamentary elections will be a significant first step in developing a stable political system. In addition, it will provide the institutional framework of a functioning parliament necessary to continue reforms in Haiti, particularly with regard to the judicial and penal systems. Finally, it will set the stage for the Presidential election in December. If the parliamentary elections fail, then the Presidential elections are likely to collapse also. This development could mortally wound efforts to restore democracy to Haiti, embarrass international efforts, and create a power vacuum which could see the continuation of President Aristide beyond his Constitutional term or the reemergence of anti-democratic forces.

ECONOMIC DEVELOPMENT

If UNMIH can stand-up a police force, help reform the judicial and penal systems, and broker successful elections, then Haiti can focus on the persistent and excruciatingly difficult task of sustained economic development.

Initial plans call for an international aid package of \$1.2 Billion with the United States responsible for \$200 Million.

This package recognizes that the United States should not bear the lion's share of the cost. Despite the outline of this aid package, actual donations have not been readily forthcoming.

The most visible aid program in Haiti at the moment is a jobs program run by USAID. This program puts Haitians to work on public works projects. The program is short-term and there is an ongoing debate on whether the program has reached the employment goals originally outlined to the Aristide government. Recently, a longer-term effort was announced by the signing of an agreement to create a credit facility with the Bank of Boston guaranteed by OPIC. This \$68 Million facility will provide credit for businesses to locate in Haiti. Outside of these notable efforts, the development effort continues to lag.

Without adequate international aid and a coherent plan, economic development will

not occur and the ultimate goal of a stable, market-oriented democracy will be frustrated. However, the task of economic development cannot be accomplished without effective action by the Haitians themselves. At present, the Aristide government is concentrating on four major issues: macroeconomic stabilization, trade liberalization, privatization of state-owned enterprises, and decentralization of government operations.

As part of the macroeconomic stabilization, the government is attempting to reform its tax policy. Present reform efforts are limited to increasing the rate of collection. Last year, collections represented 3.3% of GDP. The Haitian government has committed to the IMF that it will raise collections to 6.5% of GDP. Nevertheless, these figures are well short of 12% of GDP which is accepted as an international benchmark.

THE UNITED NATIONS

As the MNF departs and UNMIH assumes responsibility, it is appropriate to raise some cautionary points.

First, the presence of USAID and numerous NGO's indicate the UN coordination role should be handled by a minimal number of personnel. It would be a misuse of resources and a potential political liability if the UN effort was portrayed as an expensive and expansive operation.

Second, the current care and comfort of the troops is of the highest order.

Third, it seems that the aviation assets for UNMIH are unduly limited. Helicopter lift capacity is an extraordinary multiplier of military effectiveness in a country like Haiti.

Fourth, there is a huge need for basic infrastructure repairs and a complementary need to put Haitians to work. Both of these objectives can be served by civic action with UNMIH forces.

CONCLUSION

Through the leadership and skill of the MNF, Haiti enjoys a degree of public security and civic peace which is rare in its tumultuous history. An opportunity exists for fundamental economic and social reforms. The leading edge of these reforms is the successful completion of scheduled elections followed by governmental reforms of the judicial and penal systems. Undergirding these efforts is the constant imperative of economic development to sustain a viable democratic process.

Based on my observations, the transition from the MNF to the UNMIH is likely to be uneventful. The continuing strong United States presence in UNMIH is also likely to ensure a stable security environment through February 1996 when the UN mandate ceases.

After February 1996, the outlook is not so clear. So much depends on the confidence building steps of successful elections and the effectiveness of international aid and local economic reforms. I harbor a degree of skepticism that a society without a strong tradition of political participation and market economics can, in a short time build institutions that will endure, even if the international community makes good its promise of support.

After February 1996, I would not anticipate a dramatic uprising. Rather, the greatest danger would be a return to the corruption that dominated previous regimes; corruption that would gradually undermine reform efforts, frustrate economic progress and invite an abandonment of the democratic process.

The United States, as the leader of the international community, has taken a decisive stand against an illegal military dictatorship in the Hemisphere. It has restored a

democratically elected government. It has purchased time to build a stable society. But ultimately, the fate of Haiti is in the hands of the Haitian people. In the next few months, the international community has the opportunity to give the people of Haiti a chance to forge a more decent and productive future.

JOB CREATORS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FORBES. Mr. Speaker. We in Congress are obligated to protect the interests of our small businessmen and women. These job creators make enormous contributions to the local economy on Eastern Long Island. As a Member of Congress, I will always champion the cause of small business.

The recent cap levied on travel agency commissions could devastate small business. Most travel agencies are small businesses and a significant source of employment and tax revenues for our area. I am concerned about the outrageous action taken against the travel industry. Moreover, the impact on consumers will be harmful.

I have set up a meeting with Anne Bingaman, Deputy Attorney General for Antitrust, to express my outrage and request that the Justice Department take a more active role in investigating this situation. I will be very involved in fighting to restore fairness to the travel agents.

Following is a recent article that ran in the New York Times, describing this problem:

[From the New York Times, Mar. 29, 1995]

SOME AIRLINES BREAK RANKS OVER FEES PAID TRAVEL AGENTS

(By Adam Bryant)

Several airlines, following in their long tradition of breaking collective decisions, are already starting to chip away at the industry's recent move to cap commissions for travel agents.

In early February, in a bid to cut costs, the airline industry imposed a maximum commission of \$50 on a round-trip domestic ticket. But some carriers—including Delta Air Lines, the pioneer of the limit on travel agent fees—are now offering new backdoor financial incentives that reward bigger agencies for exceeding sales goals. These moves mean some airlines are effectively giving back some of the money they said they would save when they announced the caps. Before the cap, airlines generally paid travel agents a 10 percent commission on the price of ticket.

"Continental wants all of your high-yield business—and we'll pay you for it!" reads a flier that Continental Airlines sent recently to only about one out of 10 of its travel agents. Continental, in outlining its new "Fast Cash" program, offered a \$50 "bonus payment," in addition to existing incentive programs, for costlier round-trip tickets on transcontinental flights.

Similarly, travel agents said sales representatives from Delta had visited them recently with new contracts that offered extra payments for swinging business the airline's way.

Given the fiercely competitive nature of the business, other airlines will probably follow the lead of Continental and Delta. Except for Continental, the largest airlines declined to comment yesterday on whether

such incentive programs were in place or were under consideration.

There are many implications of this new wrinkle in the way airlines compensate travel agents.

Perhaps the biggest losers will be smaller travel agencies, which often lack the volume of business to win extra payments. And some travel agents warn that the new incentives, if they spread, may force them to act against their customers' best interests by steering them to a certain airline. "People trust travel agents, and travel agents can influence some people's choices," said Blake Fleetwood, president of Planetarium, an agency in Manhattan affiliated with American Express.

Some travel agents, including Mr. Fleetwood, had predicted that the airlines would have trouble making the cap stick. History was certainly on their side. In 1983, for example, Delta, Eastern and United refused to go along when American Airlines and Trans World Airlines lowered their commission rates.

To the extent the cost savings that airlines had expected shrink, the latest moves could affect the stocks of a number of carriers. The stocks of several airlines jumped several points last month after they announced in rapid succession that they would follow Delta's lead in capping commissions for domestic tickets.

"This was viewed as a fundamental change in the industry," said Julius Maldutis, an airline analyst at Salomon Brothers. But now that at least some of those touted savings are going to be returned to travel agents, it "is going to cause investors to pause and rethink their exuberance," he added.

The American Society of Travel Agents said that such incentives would hurt smaller agencies the most because they were not being given the opportunity to make up the revenue they expected to lose because of the commission caps. The new caps angered thousands of agents who said the cuts would devastate their industry.

"It does appear that the airlines were essentially winking at some of the larger travel agent partners when they made their original announcement," said Steve D. Loucks, a spokesman for the travel agents' trade group. "The playing field is far from being level."

The Justice Department signaled its concern about such incentive programs in late 1993 when it announced that it was investigating Delta's deals with travel agents in Salt Lake City and the effect of those deals on a smaller competitor, Morris Air. That investigation has since been dropped, but the department said yesterday that it was continuing to investigate the possibility of so-called exclusionary practices, like extra commission incentives, by airlines that dominate certain cities.

Airlines have had difficulty making other industry-leading initiatives stick. The main reason is that every extra fraction of market share is so important to each airline that they often break away from the pack in the hope that they will gain a competitive advantage. That is one reason why America West and Southwest Airlines still offer travel agents a 10 percent commission.

American Airlines learned this lesson in 1992 when it tried to establish a new, simplified fare structure that it called Value Pricing. Many airlines immediately followed, but others did not, and the new system crumbled.

The fallout of the effort, however, offers a parallel to the current capping of commissions. The simplified fare structure from 1992 wiped out the earlier deals for discounted tickets that big corporations had made with airlines. Corporations insisted on restoring

some kind of discount, but the break with the past gave the airlines an opportunity to negotiate new pacts.

Similarly, many large travel agencies have complained to some airlines after the recent capping of commissions that they need a way to make up the reduced revenue while others began charging fees to ticket purchasers to make up some of the loss. An executive at one major carrier, who asked not to be identified, said his airline was negotiating new contracts with those agencies whose support it needed the most.

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Mr. PACKARD. Mr. Chairman, every person and business in the United States is overtaxed. Whether young or old, a struggling family or an affluent family, a small business or a Fortune 500 company, Government remains a fiscal burden. The tax reform provisions within our Republican Contract with America work to ease this financial load by reducing the size of Government, the size of the deficit and the size of the American tax bite for all people.

Our tax bill represents a historic piece of legislation. It cuts taxes, pays for each dollar of those tax cuts with a dollar in spending cuts, and substantially lowers the deficit by \$91 billion—all at the same time. Simply put, this bill gives the American people back the money that rightfully belongs to them.

Our tax plan embraces the notion that economic growth is economic justice. It promotes savings and investment by getting Government out of the way of the American economy. The fiscal incentives in our tax bill encourage Americans to save more and to invest more. That means more jobs, greater productivity, higher paying jobs and, most importantly, a brighter economic future for our children and grandchildren.

Our tax relief bill represents another Republican effort to cut Government down to size. It is a crucial step on the long road toward restoring our Government's fiscal sanity. Mr. Chairman, Republicans continue to do exactly what they set out to do—make Government smaller, less costly and more efficient.

CANDIS "CANDY" SNIFFEN

HON. G.V. SONNY MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MONTGOMERY. Mr. Speaker, on March 28, 1995, I had the bittersweet experience of saying goodbye and thank you to Candy Sniffen who retired from more than 25-year years of exemplary service on the Veterans' Affairs Committee staff. I say bittersweet