

SKADDEN, ARPS, SLATE,
MEAGHER & FLOM

Washington, DC, March 14, 1996.

Hon. CHRISTOPHER COX,

House of Representatives, Washington, DC.

Re: Fast and Efficient Tax Filing Act

DEAR CONGRESSMAN COX: As a former IRS Commissioner, as a tax practitioner, and as a taxpayer, I enthusiastically support your proposed Fast and Efficient Tax Filing Act. The change is long overdue—I only wish I had focused on the issue and taken the step administratively while I was at the IRS!

Your proposal embodies the kind of real world, common sense legislation that the tax system so desperately needs. While the courts in *Correia* applied the law correctly, these are precisely the situations that drive people up the wall and destroy their confidence in government. You should be applauded for your ongoing efforts to make the system work better for citizens and taxpayers. If there is ever anything I can do to lend a hand, please let me know.

Sincerely,

FRED R. GOLDBERG, JR.

HONORING THE REVEREND
KIRBYJON CALDWELL

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 14, 1996

Mr. BENTSEN. Mr. Speaker, I rise in honor of Rev. Kirbyjon Caldwell of the Windsor Village United Methodist Church in Houston, who has done so much to provide economic opportunity and improve the quality of life for so many people in Houston. I want to insert in the RECORD the following article from the February 20, 1996, issue of the Wall Street Journal that does an excellent job of describing Reverend Caldwell's contributions to our community:

[From the Wall Street Journal, Feb. 20, 1996]

DUAL MINISTRY—A HOUSTON CLERGYMAN
PUSHES CIVIC PROJECTS ALONG WITH PRAYERS
(By Rick Wartzman)

HOUSTON.—Time was when the Rev. Kirbyjon Caldwell was more focused on profits than prophets, more on rates and investments than rites and vestments.

That was before he pulled a colleague, Gerald Smith, into a conference room at the Houston investment bank where they were working and, out of the blue, told him he was leaving business for the ministry.

Knowing that the Wharton School graduate and Wall Street alumnus was on the cusp of making big money, Mr. Smith could muster only one response: "Are you crazy?" He begged his friend to slow down, at least to mull his decision overnight.

But Mr. Caldwell's mind was made up, and he tendered his resignation that afternoon. "He was completely confident that this was what he was supposed to do," recalls Mr. Smith, who now runs his own \$2 billion asset-management firm. "There was just no turning him back."

Some 17 years later, at age 42, Mr. Caldwell is one of Houston's most prominent clergyman. An electrifying preacher, he took over Windsor Village United Methodist Church in 1982, when it was struggling with a mere 25 members, and he has made it flourish, with more than 9,000.

More broadly, Mr. Caldwell has emerged as a strong advocate for civil rights in Houston's black community, the largest of any city in the South. He also serves as a bridge

to the white establishment, landing on the boards of Texas Commerce Bank, Hermann Hospital and the Greater Houston Partnership, a button-down business-development group long dominated by corporate executives.

But his grandest achievement may be a project now nearing completion: a multi-million-dollar business facility, located in a once-abandoned Kmart, that is reviving a blighted area of southwest Houston.

MANY FACETS

Called the Power Center, the 104,000-square-foot complex houses a Texas Commerce Bank branch; Houston Community College, which offers computer training and business classes there; a federal Women, Infants and Children (or WIC) nutrition program, expected to soon serve more than 5,000 people a month; a health clinic; a pharmacy run by a first-time businessman; a 1,900-seat banquet facility; and a private grade school founded by Mr. Caldwell. In addition, 18 of the 27 office suites have been leased to businesspeople, including to Mr. Caldwell's wife, Suzette, an environmental consultant.

"I think it's a tremendous experiment . . . to create a situation where people help themselves," says Forrest Heglund, chairman of Enron Oil & Gas Co. and a financial contributor to the Power Center.

The project, launched four years ago, embodies what Mr. Caldwell calls "holistic salvation"—a bedrock belief that God cares not only about the soul but also about people's everyday social and financial well-being. The pastor sees a connection between economic power and civil rights. "Unless there is economic justice, you won't have peace in the community," he says. "The Old Testament speaks of that."

SUCH PROJECTS PROLIFERATING

The Power Center is hardly unique. Across the nation, ever more black churches are making commercial investments designed to help empower African-Americans economically.

Last month, on Martin Luther King's birthday, five of the country's largest black religious organizations announced they were forming a for-profit enterprise, Revelation Corp. of America, which plans to recruit millions of churchgoers and others to buy products at a discount from designated companies; in return, the companies would also funnel money back to the consumers' churches and into a national home-mortgage fund. Nationwide, black clergymen are increasingly taking on entrepreneurial roles, starting up ventures to bring capital and jobs to their areas.

What makes the Power Center special, though, is the way Mr. Caldwell so easily mixes divinity and deal-making.

"His background in banking and finance has helped him a lot," says the Rev. William Lawson, Houston's pre-eminent African-American pastor, who is leading an effort to build a shopping center in the impoverished Third Ward. "He has set a standard for most of the rest of us in terms of development around the church."

Well before the Power Center, Mr. Caldwell started several nonprofit ventures to, among other things, shelter abused children and develop low-income housing. While providing needed services, these nonprofits also give jobs to more than 125 people, placing them among the largest black-owned employers of blacks in Houston.

For a long time, Mr. Caldwell notes, black churches were pillars of economic activity, serving during Reconstruction as the community's savings institutions and insurance companies. "What we're doing," he says, "is simply taking a page from the 19th-century church."

And giving it a 20th-century twist. To get his holistic message across, Mr. Caldwell delivers potent sermons filled with the vernacular of modern life. A recent homily on the need for better communication between the sexes drew as much from the bestseller "Men Are From Mars, Women Are From Venus" as it did from Scripture. As he spoke, he tossed a basketball, football and softball to underscore key points.

This rousing style—along with a myriad of community-outreach programs and several popular choirs backed by a pulsating band—attracts many black urban professionals to Windsor Village. But the church also draws older people and the working class, making it one of Houston's most socially diverse black congregations.

As Windsor Village has expanded, so has Mr. Caldwell's power base. In turn, he has used that to attack redlining, fight to bring more minorities into the state judiciary and, early on, battle unsuccessfully to promote a black or Hispanic to the superintendent of Houston schools. In recent days, Mr. Caldwell has helped lead a protest against what he calls the unfair treatment of the family of Warren Moon, as the professional football player stands trial on spousal-abuse charges.

USEFUL BACKGROUND

Yet his intellect and leadership skills—and his years at Charleton College, in Northfield, Minn., where he majored in economics; the University of Pennsylvania's Wharton School; and then First Boston Corp., where he sold municipal bonds—have made him an attractive addition to old-line Houston institutions.

"We in the establishment bet on Kirbyjon," says Charles Miller, a wealthy Houston businessman. He helped put Mr. Caldwell on the boards of the Greater Houston Partnership and Texas Commerce Bank after meeting him through the late Mickey Leland, a Democratic congressman from Houston. Not many years ago, Mr. Miller acknowledges, many white business leaders worried that minorities let into the club might turn out to be "divisive or agitators or take advantage of the system."

But Mr. Caldwell has assuaged those fears while avoiding the impression in the black community that he has sold out or been co-opted. "Although he moves with poise and ease . . . in corporate boardrooms, he also moves with the independence of knowing that his base of support comes from people who are out of the economic mainstream," says Rodney Ellis, a Democratic state senator and a former senior aide to Rep. Leland. (Mr. Caldwell's first wife, from whom he was divorced, worked as a Leland aide and was killed with him when their plane crashed in Ethiopia in 1989.)

The idea for the Power Center came to Mr. Caldwell in 1992, when he was in Jonesboro, Ark., for a family reunion and visited a Wal-Mart there. Several weeks earlier, he had been approached by the owners of Houston's Fiesta supermarket chain about what to do with the old Kmart on their property; the building, just down the road from the Windsor Village church, had long been vacant and was turning into a rat-infested eyesore.

THE SMORGASBORD IDEA

Walking through the Wal-Mart, Mr. Caldwell was struck by its wide range of products. And he thought Windsor Village should similarly offer "a smorgasbord of services"—in its case, medical, financial and educational—as "a one-stop shopping center for persons in the community."

But the church didn't have the money to lease the old Kmart—what Fiesta had in mind. So, Mr. Caldwell started negotiating. "By the time we were through, the discussion had switched from us leasing them the

property to us giving them the property," says Buster Freedman, who manages Fiesta's real estate. He not only calls Mr. Caldwell a "visionary" for persuading Fiesta to make the \$4.4 million donation, but a "wheeler-dealer" as well.

Attracting tenants to the Power Center hasn't always been easy. For example, Texas Commerce Bank, a unit of New York's Chemical Banking Corp., determined that the neighborhood's traffic pattern didn't make it "the right place to put a branch," Chairman Marc Shapiro says. But in the end, he adds, he was persuaded by Mr. Caldwell's ability "to attract people and energy to that spot."

Most of the Power Center's occupants and customers are black. But the area is diverse, and Mr. Caldwell is careful to reach out, making sure that fliers promoting a recent health fair, for instance, were in Spanish as well as English. "It would be insensitive, not to mention economically dumb, to fail to recognize the multicultural nature of Houston and market accordingly," he says.

Like most CEOs, Mr. Caldwell likes to tout numbers. The Power Center, he says, will generate some \$26.7 million in cash flow over the next three years—"and that's real conservative"—plus more than 220 new jobs.

Before anybody could move in, the site had to be renovated, of course, at a cost of more than \$4 million. Some of that money came from donations, some from federal and private grants. But most of it—\$2.3 million—came from refinancing a bond offering the church had made years earlier and from issuing new debt.

Mr. Caldwell delights in recounting how the church put the deal together with American Investors Group Inc., a Minneapolis securities firm specializing in working with nonprofit groups. "They offered us the lowest NIC," he says, quickly explaining: "That means net investment cost. It's investment-banker talk."

He didn't always talk like that. A product of Kashmere Gardens, a low-income neighborhood here, he grew up around his father's clothing store, and he credits that entrepreneurial environment with helping point him toward a business career. But he says he also recognized that others from the neighborhood—"pigeon droppers, hustlers, pimps and prostitutes"—were entrepreneurs in their own way, and he learned lessons from them, too. "They lived what, materially speaking, was a good life," Mr. Caldwell remembers. He vowed to do the same, "only legally and morally."

Throughout his life, Mr. Caldwell was active in the church. And while on Wall Street, he even called his godfather, a Sunday-school teacher back in Houston to ask, "How do you know when you've been called to be a minister?"

"You'll know when you stop asking and start telling," came the reply.

In October 1978, Mr. Caldwell did just that. He had recently returned to Houston from New York and was working at Hibbard, O'Conner & Weeks, a regional investment bank, when he decided on his bold career change. He says he simply had reached a point where "my heart and my mind were in synch."

Now, at a Sunday service, more than 1,000 are packed into Windsor Village. "Welcome to Kingdom-building, Satan-busting territory," Mr. Caldwell declares. For the next 90 minutes, he is a whirlwind—kneeling down, springing up, raising his arms heavenward, mopping his brow with a blue towel—as he prays and sermonizes and laughs and sings. Behind him, a giant sign reads, "The Power Center, It's In Your Hands."

As the collection plate is passed, Mr. Caldwell invites to the altar all those with "financial celebrations and concerns." He

implores them to "thank God for blessing your contracts, your business plans, your marketing decisions." As scores come forward, he shouts, "Amen."

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 14, 1996

Mr. BURTON of Indiana. Mr. Speaker, I wish to insert into the RECORD a number of items pertaining to our Cuban Liberty and Democratic Solidarity Act, which was signed into law by the President on Thursday. We are convinced that this legislation will contribute to the struggle for freedom in Cuba, and we are gratified that it is now the law of the land.

I wish to include my official statement from last week's floor debate as well as a number of news stories regarding the effects of our bill and an op-ed from a Canadian newspaper.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT

Mr. Speaker, it is with a great sense of history and responsibility that I rise in support of H.R. 927, the Cuban Liberty and Democratic Solidarity Act. This legislation has travelled a very long way and many colleagues on both sides of the aisle have worked very hard to get us to this point.

What we have before us today is nothing less than a strong, bipartisan message from the American people for Fidel Castro. That message is a very clear one: to paraphrase what Moses said to pharaoh, like Castro, the major tyrant of his day: Let your people go! Stop oppressing the people of Cuba who have suffered for 37 years under your corrupt, vicious, cruel dictatorship.

You have run the Cuban economy into the ground, you have murdered hundreds, tortured and imprisoned thousands, and you have denied freedom to the people of Cuba for far too long. You are the last dictator in this hemisphere, and one of the very last communist thugs left in the World.

Get lost!

The libertad bill, Mr. Speaker, will help to deny hard currency to the Castro regime—the very hard currency that cruel dictatorship needs to survive.

It tightens the embargo, and through codification, ensures that the embargo will remain in force until there is a democratic transition in Cuba.

It sets up a plan to assist such a democratic transition government in the future. And it protects the rights of American citizens by allowing them to sue those foreigners who traffic in their stolen property. It also denies visas to those traffickers.

Mr. Speaker, we have been working on this bill for over a year. I want to thank my colleagues, Congressman Gilman, Congresswoman Ros-Lehtinen, Congressman Diaz-Balart, Congressman Menendez, Congressman Torricelli, Senator Helms, Senator Coverdell, and Senator Dole. I also want to thank the committee staff and legislative counsel who worked so long and hard on this bill.

Finally, to our friends, in the Cuban-American community, to Jorge Mas-Canosa and the Cuban American National Foundation, to the Valladares Foundation, to Unidad Cubana and other friends—thanks a million.

I also want to particularly thank Ambassador Otto Reich, Robin Freer, Tom Cox and the U.S.-Cuba Business Council for their in-

dispensable help over the past months in support of our bill. We are very appreciative and we are certain that the council will continue to play a constructive role on these issues.

The four Cuban-American martyrs who gave their lives last week, Armando Alejandro, Jr., Pablo Morales, Mario de la Pena, Carlos Costa, made this possible. We dedicate this bill to their blessed memory. We will see to it that they did not die in vain.

[From Reuters, Mar. 9, 1996]

CUBA SAYS NEW U.S. LEGISLATION HAS ALREADY HURT

HAVANA.—Cuba's foreign minister, Roberto Robaina, says pending U.S. legislation to tighten Washington's embargo against the island has already hurt because potential investors have been worried that it is in the pipeline.

Given this, business people would have to be "daring" to invest now in Cuba, Robaina told Cuban state television late on Friday, reiterating his stance that the legislation was a "law against humanity."

He did not give any details of foreign companies that have been scared away by the prospect of the Helms-Burton bill, named after its Republican sponsors.

The legislation, approved this week in Congress and now awaiting President Clinton's signature, includes provisions to punish third country firms doing business in Cuba. These have been criticized by European Union countries, Canada and Mexico, which do business with the communist-ruled island.

The legislation had been in the U.S. Congress for a year but was given added momentum after Cuba downed two small exile-operated planes on February 24. The United States has led international condemnation of the incident.

Cuba argues it acted in legitimate defense of its airspace, after issuing warnings and tolerating repeated violations of its airspace over the past 20 months.

Cuban authorities are presenting Havana as a victim of unfair legislation while at the same time trying to reassure current and potential investors and traders by saying the law will have no effect.

Cuba and the United States have had no diplomatic relations and have been at odds since the 1959 revolution that brought Castro to power.

Robaina reiterated Cuba's willingness to talk with the United States on any issue as long as it was on a basis of mutual respect.

"What this cannot be is a relationship of subordination," he said.

[From the Toronto Sun, Feb. 28, 1996]

OTTAWA STILL LOVES TYRANT

Once more, Canada continues to support Cuban communist dictator Fidel Castro—despite his shooting down of two unarmed U.S. civilian planes in international air space.

The best that Jean Chretien's foreign affairs minister, Lloyd Axworthy, could do was describe as "deplorable" the shooting down of the planes by Soviet-made MiG-29 fighter jets and the killing of the four Cuban exiles.

Instead of ripping at Castro who ordered the planes shot down without even issuing any warnings first, Axworthy yesterday warned the U.S. Congress not to pass legislation that would penalize companies—including foreign ones—that do business with Cuba.

"That would be contravening international law," whined Axworthy.

Of course, it would be a real surprise if Axworthy and his boss Chretien did the right thing and really condemned Castro with some meaningful tough action. After all,