

NAVAJO-HOPI LAND DISPUTE
SETTLEMENT ACT OF 1996

SPEECH OF

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 28, 1996

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise to express concerns regarding specific provision included in S. 1973 and to raise concerns about the process involving the consideration of this measure.

Congressional consideration of S. 1973, a measure introduced by Senator McCAIN which implements a consensual resolution of the Navajo-Hopi land dispute, during the final hours of this Congress is unfortunate. This measure has been the subject of no hearings in either the House or Senate and is being passed with relatively little or no public discussion.

At a time when the American public is calling on legislators to reform the way in which Washington handles its business, we ought not be relying on what amounts to as a closed-door process to pass legislation. There ought to be a better way of doing business. If S. 1973 merits passage, then the House should have considered the bill in a deliberate and conscientious manner, and not in the last remaining minutes of the legislative session.

I am also concerned that S. 1973 goes far beyond the scope of the terms of the Hopi-Navajo Settlement Agreement. In a letter to Senator McCAIN, the Department of Justice states:

Two provisions of the bill deviate from the terms of the Settlement Agreement. The 85 percent threshold for the taking of land into trust by the Secretary pursuant to Section 7(a) of the Settlement Agreement, as set forth in Section 5(2)(A) of S. 1973, is more than the 75 percent requirement agreed to in the Settlement Agreement. We understand that this percentage has been revised so that lands will be taken into trust of the Hopi only after the Secretary of the Interior has ensured that the percentage of eligible Navajo heads of household who remain on the Hopi Partitioned Lands without legal authority is at 15 percent or less, rather than 25 percent or less. Accordingly, to the extent that 15 percent or fewer of the eligible Navajo heads of household are on the Hopi Partitioned Lands in trespass, the conditions set out in Section 5(2)(A) will have been met.

Furthermore, while the administration supports passage of S. 1973, the Department of Justice would prefer that the language of the bill not alter the terms of the agreement achieved consensually by the parties.

In closing, I would like to share concerns raised by several members of the Sovereign Dineh Nation about the settlement agreement process itself. These Sovereign Dineh Nation members object to what they feel has been a heavy-handed ratification of an agreement which threatens their current way of life. The consideration of S. 1973 without adequate congressional hearing adds insult to injury to the concerns of the Sovereign Dineh Nation members.

The Sovereign Dineh Nation members believe the referendum process was unfair and manipulative, and they intend to pursue the matter in U.S. Federal courts.

While I cannot comment on the substance of these concerns, I do believe that S. 1973

should have received more consideration by the Congress.

VETERANS' HEALTH CARE
ELIGIBILITY REFORM ACT OF 1996

SPEECH OF

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, September 28, 1996

Mr. HASTERT. Mr. Speaker, I am very proud to stand in support of H.R. 3118, and praise the work of Veterans Committee Chairman BOB STUMP. I am especially pleased that a provision I pledged to support has been included in this important legislation. Because of the work of Representative JERRY WELLER and Representative TIM HUTCHINSON and his Veterans' Hospital subcommittee, hospitals in my district will now be given the opportunity to contract with the VA for local hospital care and medical services so that veterans in north-central Illinois will have improved access to quality health care.

This is a great victory for one group of veterans in particular, because for years they have had inadequate access to veterans' health care. Today, LaSalle County veterans cannot go to their local doctor and hospital. Instead, because of outdated Washington Regulations, they are often forced to drive hours to Chicago and stand in long lines to receive needed health care. Such rules cost us time and money and it's time we change them. The bill we adopted today will make it possible to open an outpatient VA clinic in LaSalle County so that over 13,000 eligible veterans and their families can receive care in their home communities.

I promised at a Veterans Committee field hearing in April that I would see this measure passed, and I've kept that promise. Our veterans answered the call when our Nation needed them. Today, Congress answers the call of veterans who are in need of our help.

HONORING STEPHEN J. JEROME,
PRESIDENT, MONROE COLLEGE

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1996

Mr. ENGEL. Mr. Speaker, a true success story of the Bronx is Monroe College and its president, Stephen J. Jerome. The college was founded in 1933.

This year Mr. Jerome celebrates his 30th anniversary at the school with the New York State Board of Regents authorizing its confirming baccalaureate degrees and the school dedicating King Hall, a 100,000-square-foot building housing offices for student services as well as the learning center, gymnasium and cafeteria. Mr. Jerome, who was raised in the Bronx, joined the school in 1966 as an instructor and was named president in 1978.

He is fond of saying that Monroe changes people's lives. The extent of that change can be seen in an enrollment comprising students from more than 40 countries, many of whom are first generation college attendees or recent immigrants. Mr. Speaker, I am proud to salute Stephen J. Jerome and Monroe College.

TRIBUTE TO CONGRESSMAN
HAROLD FORD

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1996

Mr. CLAY. Mr. Speaker, I am honored to rise in tribute to my distinguished colleague from Tennessee, the Honorable HAROLD FORD, as he prepares to retire from the U.S. House of Representatives. Congressman FORD has dedicated his life to public service. He was elected to the Tennessee State Legislature at the age of 25. He served two terms in that body and in 1974 was elected to represent the residents of Tennessee's Ninth Congressional District. HAROLD FORD was the first and is the only African-American Tennessean ever elected to the U.S. House of Representatives.

HAROLD FORD has been a staunch defender of justice and equality. He has shown a special dedication to representing the needs of the underprivileged and has left his signature on our Nation's welfare and employment programs.

In 1981 Congressman FORD was named chairman of the House Ways and Means Subcommittee on Public Assistance and Unemployment Compensation. Through his committee work, Chairman FORD fought to improve economic opportunities for the poor. He authored the Family Support Act of 1988, a program to increase education and training opportunities for AFDC recipients. Throughout his tenure Congressman FORD has fought to preserve the Federal role in administering domestic programs such as Aid to Families with Dependent Children, public housing, public education, and job training.

HAROLD FORD has been a truly effective political leader whose dedication to representing the people of Memphis cannot be overstated. Congressman FORD was instrumental in establishing several youth training programs in Memphis including Jobs Corps and Youth Fair Chance. He also gave vital support to local economic development projects in Memphis such as the Central Station renovation.

Representative FORD is a man of determination and spirit who has maintained his courage and equanimity in the face of trial and adversity. He has faced racism and injustice and these challenges have only strengthened his resolve to fight for equality.

Congressman FORD is a member of a family that has demonstrated a special commitment to public service. His great-grandfather served as a squire during the Post-Reconstruction Era in Tennessee. HAROLD FORD's brothers also serve in public office in the State of Tennessee. John Ford is a State senator, Joe Ford is a Memphis City Council member and Dr. James Ford is a Shelby County commissioner. Representative FORD's son, Harold Ford, Jr. is this year's Democratic nominee to succeed his father in the U.S. House of Representatives.

Mr. Speaker, it has been my privilege to serve beside HAROLD FORD in the U.S. House of Representatives. He has been a loyal public servant and the people of Tennessee and our Nation will long benefit from his many contributions. HAROLD FORD and his wife Dorothy have been valuable friends; Carol and I will miss them dearly. I wish him godspeed as he

leaves the House of Representatives and begins another chapter in his life of public service.

ESTABLISHING A NATIONAL COMPETITIVE ADVANTAGE THROUGH DYNAMIC COMPETITION

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1996

Mr. HINCHEY. Mr. Speaker, professors Nathan Mao and Winston Yang have called to my attention an interesting discussion of the Republic of China's economic competitiveness written by ROC Vice President/Premier Lien Chang. Vice President Lien's discussion takes the form of a review of Michael Porter's book, "The Competitive Advantage of Nations." He found that the book has much to say about Taiwan's future role in the global economy. I hereby ask permission that Vice President/Premier's review of "Establishing a National Competitive Advantage Through Dynamic Competition" be printed in the RECORD.

ESTABLISHING A NATIONAL COMPETITIVE ADVANTAGE THROUGH DYNAMIC COMPETITION

(By Lien Chan, Vice-President/Premier, R.O.C.)

The nearly 600,000-word book, "The Competitive Advantage of Nations," by Harvard University professor Michael E. Porter is an exemplar of works on the leading edge of contemporary academic thought that can influence current government policy.

A book is considered a classic if its author raises profound questions and offers penetrating insights that enlighten the reader. One may disagree with some of its theses but must give serious consideration to their implications.

At this juncture when the whole country is vigorously working toward attaining supreme global competitiveness, reading Porter's epochal masterwork, "The Competitive Advantage of Nations," greatly bolsters our confidence and, during the process of government policymaking, helps us confront the following major questions:

What is a national competitive advantage?

What role should government play vis-a-vis industry regarding international competition?

How should government and industry work together to create a national competitive advantage?

How can industry seek an industrial competitive advantage?

What efforts should be made with the private sector to cultivate a healthy, aggressive, and full competitive macroenvironment?

Reading this book has made me keenly aware that the pattern of economic competition has changed with the times.

Traditionally, competition was static, and success or failure hinged on production factors. Modern competition is dynamic, and new technologies, new products, new market demarcations, new production processes, and new management concepts are constantly emerging to change and even undermine a national and industrial competitive advantage.

This book also reminds me of some of the theses proposed many years ago by Bruce R. Scott, also a professor at Harvard. After comparing the United States, France, and some developing nations, including the Republic of China, Scott formulated his "dy-

namics of comparative interest." He maintained that some postwar countries, such as Japan and the Republic of China, have advanced and prospered rapidly because they were able to transcend the concept of static comparative interest and break through their resource limitations through scientific and technological innovation, enlarging the scale of production, and actively expanding foreign trade. Scott particularly cited Japan as an example. The Japanese understand that comparative interest can be created and renewed through the enhancement of skills, capital, and the workforce. In addition, an environment conducive to economic development can be established through institutional reform.

These experiences confirm that in the midst of modern dynamic competition, it is paramount to raise national, social, industrial, and private-sector competitiveness.

DIAMOND SYSTEM

Over the past dozen years, Porter has published three books on "competitive advantage." The first two focused on industry, while this one concerns nations. This change is quite meaningful. Porter discovered that a nation's macroenvironment crucially affects industrial competitiveness; it can either help or hinder industrial development. He astutely pointed out that the relationship between national and industrial competitiveness directly correlates with how the nation stimulates industrial improvement and innovation.

After spending three years comparing the industrial development of ten nations (the United States, Germany, Sweden, Switzerland, Denmark, Italy, the United Kingdom, Japan, South Korea, and Singapore), Porter proposed his well-known Diamond Theory.

He argued that two sets of determinants affect the industrial competitive advantage and, despite the rushing tide of strong globalization, the importance of these factors in determining national competitive advantage has not diminished, but in fact has become more definite.

Among the first set of fundamental determinants are:

Factors of production, including human resources, physical resources, knowledge resources, capital resources, and infrastructure;

Demand conditions;

Related and supporting industries; and

Firm strategy, structure, and rivalry.

The second set comprises two additional variables:

Chance; and

Government.

Porter described the rhombic relationship formed by the four determinants in the first set as a national "diamond." He emphasized that a country cannot rely on unique competitive advantages such as low-cost labor. Such reliance is risky because it can be replaced by even cheaper labor in less developed nations. When this situation occurs, the diamond may be said to be in "static disequilibrium," and the competitive advantage cannot be maintained. Accordingly, Porter points out, a nation's competitive advantage should be firmly rooted in a durable diamond configuration. That is, both set of determinants should develop in relation and coordination with one another, stimulating and upgrading each other in the process. This kind of national diamond can be said to be in a state of dynamic development. It is the optimal combination for continual national progress.

Professor Porter also enumerated four stages of national competitive development:

a factor-driven stage;

an investment-driven stage;

an innovation-driven stage; and

a wealth-driven stage.

In order to move from one stage to the next, the government and private sector must carry out a complete metamorphosis of industrial infrastructure, international distribution the financial system, technological standards, and conventional ways of thinking. On top of this, I personally believe that even more profound consideration should be given to the cultural ethics and values behind the initiating and sustaining forces for the creation and distribution of wealth and value.

In their research on the culture of capitalism British scholar Charles Hampden-Turner and Dutch scholar Alfons Trompenaars once declared that different cultures engender different cultural ethics and values, and thereby diverse ways of creating and distributing wealth. Thus, to be able to comprehend the success of similar systems adopted by different countries, one must have a profound understanding of the cultural ethics and social values of these nations. This is a point all of us should consider and study further. However, in the transitional stage of national development, it is indisputable that the government should act as healthy promoter and courageous challenger. Porter has said with great profundity that the world today needs great leaders and great executives rather than great housekeepers.

NATIONAL REINVENTION PROJECT

According to Porter's four stages of national competitive development, Taiwan may be between the second, or investment-driven; stage and the third, or innovation-driven, stage. In promoting national competitiveness at this time, we hope to build our base on the strengths of the private sector, and thereby push forward comprehensive reform and accomplish the goal of national modernization. However, after comparing several countries for the growth or diminution of their national competitiveness, Professor Porter has proposed a concept mirroring the situation that deserves our vigilance.

Professor Porter believes that in the first three stages of economic development, national competitiveness grows continuously, while at the fourth stage, or turning point, the economy may decline. After entering the wealth-driven stage, domestic competitive activities diminish; management strategies change from aggressive to conservative; industrial re-investment willingness decreases; major businesses manipulate government protection policies to insulate themselves from their competitors. The first generation of entrepreneurs, who became rich from scratch die out and are replaced by a new generation used to operating within the system. Personnel do not work hard due to their high incomes. Labor-management relations stiffen as each party tries to retain its own vested interests. At this stage, people are far more interested in other professional fields rather than industry. The educational concept of pragmatism gradually disappears. The negligence of education by society and family results in a deterioration of educational standards. The proportion of investment in the factors of production is greatly reduced.

However, investment in other areas increases. The government tends to heavily tax rich people, further reducing their willingness to invest. Business capital exceeds internal needs, yet such businesses are not willing to risk investment in setting up new businesses, but instead change their goals to merging with or buying up other businesses. Porter states that wealth-driven stage will lead to economic recession since existing wealth is not sufficient to support the needs of the economy. The ambitions of investors,