

greed. The Indian wars may be over, but the looting continues.

JEROME GROSSMAN ON WHO BENEFITED FROM THE MINIMUM WAGE BILL

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mr. FRANK of Massachusetts. Mr. Speaker, while I was pleased to vote for the minimum wage increase, I regretted that in effect this minimal act of social justice had to be purchased by tax reductions, some of which were unjustified from the standpoint of the maximum efficiency of the tax code. In the accompanying article, Jerome Grossman, a prime example of a businessman who has been both successful in private enterprise while being an active crusader for social justice, notes that the corporate sector benefited significantly more than the working poor from this legislation. I think the central point is relevant whether one supported the legislation or not because it is an example of how efforts to aid poor people are often exaggerated in their impact, while far more valuable benefits conferred on wealthier members of our society are often ignored. Mr. Grossman's article from the *Wellesley Townsman* is very relevant in this regard.

[From the *Wellesley Townsman*, Jan. 23, 1997]

WHO WILL REALLY PAY FOR MINIMUM WAGE INCREASE?

(By Jerome Grossman)

Democrats claimed their biggest victory of 1996 with the passage of a 90-cents-an-hour increase in the minimum wage. President Clinton cited this accomplishment in virtually every speech he made during his campaign for reelection. So did almost every other Democrat running for federal office seeking to prove that even though the Democratic party is in the minority, it can force through legislation.

The raise, which affected about 10 million workers, was the first increase in five years. It attained a unique moral status. Sen. Edward M. Kennedy wrote, "Because of those increases, we can be thankful today that the wolf is now farther from the door for millions of deserving American families . . . to do."

Initially, there had been fierce Republican opposition to the measure. House Majority leader Dick Army of Texas had called the raise "a folly" and said he would "fight the minimum wage increase with every fibre of my being." Representative Bill Goodling, R-Pa., chairman of the Economic and Educational Opportunities Committee, said, "For two years, this minority (the Democrats) was in the majority and they had the White House and not one word was ever mentioned about the minimum wage." In fact, while the Clinton administration eventually backed the increase, it was virtually ignored from the time Clinton first moved into the White House in 1993 until the election year loomed in late 1995.

The AFL-CIO claims that their incessant advertising scared Republican members of Congress in working-class districts and indeed a large group of Republicans broke with the party leadership in the House on the issue. Majority Leader Robert Dole fought the measure vigorously until we left the Sen-

ate, but, surprisingly, his successor, Trent Lott of Mississippi, lifted the GOP siege and let the increase pass. Kennedy gives Lott full credit.

The key to passage was the transformation of the bill from being primarily a workers' bill to primarily a business tax-break bill. As Goodling said, "We knew that just raising the minimum wage would be devastating unless you did the other things in this package, the tax changes."

Most of the tax breaks, which were originally designed to help small business, had bipartisan support. I suppose it could be argued that small business needed special help. Moralists could just as compellingly point out that all businesses have a responsibility to pay their workers a living wage, for the health of the workers and for their greater efficiency.

But in the deep recesses of congressional committees, without public attention, tax cuts were added that will benefit some of the largest companies in the United States, including Hewlett-Packard Co., Johnson & Johnson, Microsoft Corp., and Domino's Pizza Inc.

As usual, the numbers clearly show who are the primary beneficiaries of the minimum wage bill. Ten million workers will gain 90 cents per hour; total increased wages for five years equals \$6.8 billion. The tax breaks for employers in this bill will total \$10.1 billion over five years. That makes a net profit to business of \$3.3 billion. As recently as Dec. 1 the *New York Times* described the minimum wage as a Republican "surrender." A rather profitable "surrender"; the business lobbyists crying all the way to the bank.

Business cannot even take the high road and say to their workers, "We gave you a raise, we are paying you more, we did the right thing." Only we taxpayers can say that—because it is our money.

IN HONOR OF A GREAT MAN OF THE BENCH: FRED BORCHARD

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mr. BARCIA. Mr. Speaker, I rise today to pay tribute to a man of great distinction from Saginaw, MI—the Honorable Fred J. Borchard, who is celebrating 50 years in the judicial profession. Saginaw is extremely lucky to have a man like Fred Borchard serve on its bench. He has a great judicial mind, believes in the values of hard work and education, runs a disciplined and efficient courtroom, and tempers his decisions with compassion and common sense.

Fred Borchard grew up in Saginaw and put himself through the University of Michigan Law School by working at boiler and iron metal companies. Upon graduation, his law practice was put on hold almost immediately by World War II. Fred signed up with the U.S. Naval Reserve as an ensign, and then became a forward observer, where he went ashore in search of enemy gun fire and then signaled naval guns for fire power. He participated in landings at Leyte and Luzon, and then Okinawa where he was wounded by sniper fire. Fred received the Purple Heart Medal for his courage and commitment to this country.

Upon returning to Saginaw 3 years later, Fred won the seat of municipal judge, which he held for 7 years until he ran and won the

position of probate judge. In 1958, 4 years later, then Gov. G. Mennen Williams appointed Fred to the Saginaw Circuit Bench, making Fred one of few to serve in all three judicial posts.

Fred's long and auspicious career ended on January 1, 1989, at which time he was the oldest judge in the State of Michigan, a distinction he still holds since he continues serving on assignment. Fred also has the honor of being considered the Lou Gehrig of the bench, as he has the longest term of service.

In addition to his professional involvement with the Saginaw County and Michigan Bar Associations, and the Michigan Judges Association, where he served as president, Fred makes it a priority to be involved in civic organizations. He served as president of the University of Michigan Club, and belonged to the Kiwanis Club of Saginaw and the Arthur Hill Letterman's Club. He has served on the board of directors of St. Luke's Hospital and on the board of directors for the Saginaw County Chamber of Commerce and the Alcohol Information Center. He also involves himself with Big Brothers of America, the Lutheran Children's Friend Society, and numerous veterans organizations.

Fred Borchard is a credit to the legal profession and to the community. I am extremely proud to know him and to say that we have both represented the people in Saginaw.

ACHIEVEMENT AGAINST THE ODDS AWARD RECIPIENTS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 20, 1997

Mr. GINGRICH. Mr. Speaker, I recently had the opportunity to host in my office eight true American heroes. They are the recipients of the Achievement Against the Odds Award and were recognized at a dinner in their honor this March 10. The awards program, developed by Robert Woodson's National Center for Neighborhood Enterprise, seeks to identify everyday citizens who have overcome significant personal, physical, and/or economic challenges to improve their lives and the communities in which they reside. Among this year's winners are a former youth gang leader now dedicated to stopping violence and a man and wife who have overcome long-time substance addiction and gone on to revitalize their crime-ridden neighborhood.

It is vitally important that we recognize the everyday heroes all around us and shine the light on them for all to see. What a benefit to all of society to see how individuals can truly transform their own lives and that of their communities.

I enter into the CONGRESSIONAL RECORD the inspiring life stories of these courageous individuals.

ACHIEVEMENT AGAINST THE ODDS RECIPIENTS

(Perry Brawley, Chicago, IL)

At the age of six, living in the notorious Cabrini Green public housing project of Chicago, Perry Brawley had been accustomed to an environment permeated with violence, drug trafficking and gang shoot-outs. But he had been excited about the prospects of joining the Jesse White Tumblers, an athletic performing group founded by a committed