protect the taxpayers of Montana, and I urge my colleagues to become familiar with it.

Mr. Speaker, I include for the RECORD the following article.

The material referred to is as follows:

[From Time, May 12, 1997]

NOBODY ASKED HER

A VERY HUMAN, VERY STUBBORN GLITCH IN THE YELLOWSTONE GOLD-MINING DEAL

(By Patrick Dawson)

Margaret Reeb is somewhere in her 80's. In her Livingston, Mont., sitting room stands an ancient upright piano. On a wall hangs a photograph of Reeb and a smiling Eleanor Roosevelt. The topic of her verse—the mountain's beauty, the nobility of the pioneer gold miners who wrested their destinies from it—is a variation on an old frontier theme. Were she merely a wistful ex-schoolteacher, one could dismiss Reeb as a member of a familiar but vanishing species: the Western romantic.

But as things stand, it would be imprudent. Because Reeb, although she did teach school for decades, does not merely admire the forget-me-nots on the sides of Montana's Henderson Mountain; she owns the rights to millions of dollars in gold ore lying somewhere beneath it. Ore that President Clinton vowed publicly would never be mined. But about which he may have spoken too soon. For Margaret Reeb is not simply the eccentric heroine in her own romantic western. A bona-fide scion of the mining heroes she celebrates, she has the financial leverage to throw a shudder into the massive federal machinery she believes would grind up their dream.

It has been nine months since Clinton played federal marshal in the Great Yellowstone Mine Shootout. The dispute began in the late 1980s as new techniques for locating pay dirt suddenly turned old claims on Henderson into a $1 billion lode of extractable ore. The glitch was that the peak is a scant 2.5 miles upstream from Yellowstone National Park. Environmental groups, warning that a megamine would poison the park's ecosystem, threatened massive lawsuits against Crown Butte, the company planning a round-the-clock extraction effort. Then the Administration stepped in, and after months of secret talks, Crown Butte agreed to swap the mine for $65 million worth of government holdings elsewhere. Clinton was able to upstage the first day of the Republican Convention last August by posing in a beautiful alpine meadow flanked by an environmentalist and a mining executive, announcing that ''Yellowstone is more precious than gold.''

But a key figure was absent from that photo op. Margaret Reeb spent the summers of her girlhood on Henderson's slopes, where her father supervised a mine. Her family has owned claims in the district for over a century. ''It was gold seekers who settled the West,'' she notes crisply. ''They built the churches; they built the towns.'' Her purchase of dozens of nonproducing Henderson claims over 50 years probably struck some as more sentimental than savvy. But now her holdings, on lease to Crown Butte, constitute at least 40% of its goldfield—a portion so large that the pact is specifically contingent on her selling her rights to the company so that they can be part of the exchange.

But Reeb will not play ball. ''I knew nothing about the negotiations,'' she claims. ''And when I finally got a copy of the agreement, I practically went into shock.'' Had any of the parties approached her, she says, she would have informed them, ''Well, I'm not interested in selling my property.'' In part the stance is just age-old miner's shrewdness: Don't sell your stake unless it's running out. But her rebuff also reflects a century of skirmishing between Western miners and the feds: ''We Montanans feel pretty strongly about our love of the land,'' she says. ''It is not American to be trying to wipe out selective private property.''

The head of Crown Butte's new corporate parent has come calling at least twice since August, entreating her cooperation. But Reeb does not seem receptive to his blandishments. David Rovig, a former Crown Butte head who spent years talking her into leasing her claims to the company, doubts she will sell. ''At the end of the day,'' he says, ''Margaret doesn't give a damn whether the thing gets mined or not. She wants her property.''

That may be all she ends up with. Katie McGinty, the chairwoman of the White House Council on Environmental Quality, says ominously, ''There are other ways for us to arrange this agreement.'' One might involve Crown Butte's swapping only the land it owns, leaving Reeb's real estate an island in a sea of government property. Although her underground holdings are vast, her actual surface lot may be too small to accommodate a large-scale extraction operation.

Meanwhile, other problems have come up. Since signing the agreement, the Administration has not found any politically acceptable properties for a swap. It may have to try to pry $65 million out of a Republican Congress through deferred agricultural subsidies. By comparison, Margaret Reeb could come to seem a pushover.

PROTECTING AMERICA'S PATENT RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. ROHRABACHER] is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, I yield to the gentleman from Michigan [Mr. SMITH].

OUR SOCIAL SECURITY SYSTEM IS GOING BROKE

Mr. SMITH of Michigan. I thank the gentleman for yielding to me, Mr. Speaker.

I want to talk straightforwardly about what I think is one of the greatest problems facing this country, and that is the fact that Social Security is going broke. Mr. Speaker, we are now looking at a situation where there is going to be less money coming in from the taxes charged to workers than the amount of the dollars going out in benefit payments.

When we started this program in 1935, it was started as a pay-as-you-go program that cannot be sustained. It was started as a program charging workers a 1-percent tax, and then paying a very meager, a very small benefit to retirees once they reached the age of 65. However, most retirees at that time did not reach the age of 65. The average age of death in 1935 was 61 years old. That meant that most people never got any Social Security benefits, but simply paid into it.

We have now developed, with this pay-as-you-go problem, where we have constantly solved the shortage of funds to pay benefits by increasing taxes. So what we have done, since 1971, we have increased the taxes, Social Security taxes, on workers 36 times, more often than once a year. We are going to end up with generational warfare. We cannot continue to make workers today pay more and more money in to pay for the benefits of existing retirees.

When I go to my town hall meetings in Jackson and Battle Creek and in Hillsdale and Adrian, people say, look, if you would keep the Government's cotton-picking hands out of the money in the trust fund, we would be all right. But let me tell the Members how much money is in that trust fund, and how long it would last. The trust fund only uses the surpluses coming in in Social Security taxes. In other words, when there is money left over after benefits are paid out, then it goes into the trust fund.

Now the trust fund has roughly $600 billion of IOU's. Even if the Government came up with the money to pay back that $600 billion, it would not last 2 years. It would last less than 2 years. So that is not the solution, but it is part of the solution.

I think what we have to face up to is that this is a tremendous political challenge. There are only two ways, or a combination of the two, to save Social Security and keep it solvent. That is to increase the revenues coming in, or reduce the benefits going out. The longer we delay, the longer we put off coming up with a solution, the more drastic that solution is going to be.

Dorcas Hardy, a former Commissioner for Social Security, estimates that we are going to have less money than is needed to pay benefits, as early as 2005. The official date according to the actuary at the Social Security Administration is probably going to be closer to 2011 or 2012, but it is still a huge problem.

When we started back in the 1940's, what we had is 42 people working, paying in their Social Security taxes, to come up with the money for each retiree. By 1950, we got down to 17 workers working and paying in their taxes to support each retiree. Today, Mr. Speaker, guess how many people are working today, paying in their taxes, to support each retiree? Three. The estimate now is that by 2027 there will only be two workers working and paying in their taxes to support each retiree. There need to be some changes. We need to face up to it.

It should not be a commission. We have had many commissions. Ned Gramlich, who I have known for years, from the University of Michigan, of course led the President's effort 2 years ago with his commission, looking at what we should do with Social Security. They could not agree. A majority of that commission could not agree on any one solution, so what they brought back was three different solutions.

I asked Ned when we were in a Social Security forum together if he thought it was reasonable to appoint yet another commission, and he rolled his eyes back and said, absolutely not. We

have had that. We have had Ned's commission, we have had the Kerrey commission, we have had White House studies, we have had congressional studies. What we need to do is have a Congress that is willing to face up to a very serious problem, and come up with some solutions that are going to keep Social Security solvent.

When I first came to Congress 4½ years ago I introduced legislation, a Social Security bill, to help keep Social Security solvent. Last year after working for a couple of years trying to refine a long-lasting solution, I introduced another bill. That bill and the bill that we will be introducing in the next several weeks did not affect existing retirees. In fact, it did not affect anybody over 58 years old. But it made a lot of modest changes, plus what we are doing in that legislation is allowing workers of this country to start their own personal retirement savings accounts, and gain from that personal ownership.

Unlike today's fixed pay-outs for Social Security, if you happen to die before you reach the retirement age, you do not get anything. Under the personal retirement savings concept, that is your money. It is your account. It becomes part of your estate. It is what we need to move ahead on.

One reason that all three proposals produced by Ned Gramlich's and the Social Security commission said that privatization and private investment has to be part of the solution is because Social Security is not even hardly breaking even today. The money that is actually paid on these IOU's in the Social Security trust fund only brings in a real return of 2.3 percent.

□ 1745

And when you look at index bonds or index stocks for a long time, for the last 50 years, they have averaged 8.5 percent or the potential of bringing in much more money. Opening the doors to private investment as part of the solution is reasonable and we have to proceed with it. Countries around the world are leading the United States.

Mr. Speaker, in conclusion, I think there are many legislators that are very nervous about the fact that senior groups are very strong politically, and many senior groups are very nervous that some of their benefits are going to be taken away. But more and more senior groups today realize that something needs to be done with Social Security if we are going to keep it solvent. My bill is the only bill that has been introduced in the House that keeps Social Security solvent for the next 75 years.

Mr. Speaker, I ask my colleagues to join me in studying this and trying to perfect it. But it is an idea. We need to move ahead. We need to figure out improvements for this kind of legislation so that we can solve one of the huge problems facing this country.

Mr. Speaker, I thank the gentleman from California [Mr. ROHRABACHER] very much for yielding.

The SPEAKER pro tempore. The gentleman from California [Mr. ROHRABACHER] is recognized for the remaining 50 minutes.

Mr. ROHRABACHER. Mr. Speaker, I am excited today to call the attention of my colleagues to an event of awesome importance that happened today at the Massachusetts Institute of Technology. It concerns an issue that is in the process of being decided by Congress that will determine our country's prosperity, our country's security, and will determine whether or not the American people can maintain their high standard of living, their high level of standard of living as compared to the rest of the world and our competitors in the world who would drag us down.

The event at MIT was a forceful communication on the part of 26 American Nobel Prize winners. These renowned economists and scientists signed an open letter to the U.S. Congress. These are the ultimate source of expertise that could possibly be called upon to advise we neophytes in Congress in making the decisions that will determine the future of our country and the well-being of our people.

Mr. Speaker, what did these 26 preeminent American scholars, these Nobel laureates want to tell us? What is such a threat that the likes of Paul Samuelson and Milton Friedman, Nobel Prize winning economists, one a liberal and one a conservative, would join forces to alert our country in?

These 26 Nobel Prize winners are pleading with Congress to defeat the effort to dramatically change the patent law that has served our country well since the founding of our Republic. Most Americans are unaware that we have had the strongest patent protection system in the world since the founding of our country. It was written right into our Constitution. It was the commitment of Jefferson and Franklin and other heroes of freedom and the champions of the rights of the common man that made sure that this patent protection was written into our Constitution.

Mr. Speaker, it has been this protection that ensured our country and ensured our country the prosperity and progress that we have enjoyed and ensured our people that we would be a country that would be the bastion of human progress and they would enjoy the fruits of that progress, and that our country would be the laboratory of free thought and entrepreneurialism and innovation that would foster the aspirations of people like Alexander Graham Bell, Thomas Edison, the Wright brothers and so many others.

It is a powerful force, this protection of law for technology innovation in our country, that elevated the standard of living of our people and secured our Nation from war and aggression.

Mr. Speaker, we were a different kind of country. That is what Thomas Jefferson, Benjamin Franklin, and others foresaw. We would not be dragged into war and the common man would live with rights guaranteed by law that the common people all over the world were denied, that these freedoms and these protections would afford us a higher standard of living and afford us the ability to live in peace. Peace and progress.

Mr. Speaker, we have had the strongest patent protection, as well as the other protection for all other rights, of any country in the world. Now we discover a quiet but determined effort to dramatically change it. This is what has caught the attention of our Nobel laureates.

Mr. Speaker, not a minor change. It is a change in the fundamental laws that have protected us for over 200 years. We literally as Americans have taken this legal protection for granted. Perhaps one out of a thousand Americans fully understand that this has had something to do with the standard of living our people have enjoyed, and that their own happiness and their own success in their own life might be traced back to this legal protection of technological development in our country.

What 26 of America's greatest thinkers are warning us about is a bill that is going through the Senate, S. 507, the so-called patent reform bill. According to the Nobel laureates this bill, quote, ''Could result in lasting harm to the United States and the world.'' They point out that it, ''will prove very damaging to American small inventors'' and that was by, I quote again, ''curtaining the protection they obtain by patents relative to large multinational corporations.''

Mr. Speaker, at the end of my special order I will submit for the RECORD a copy of that letter that these 26 Nobel laureates have sent to the Congress today and affixed their signatures at MIT today.

Mr. Speaker, in their press conference today, the Nobel laureates spoke bluntly so their warning could not be misunderstood and could not be downplayed. I quote, ''It would create total chaos and it is conducive to fraud and deceit,'' says Harvard economist Dudley Herschbach, who won a 1986 Nobel Prize in chemistry, a Harvard professor. ''It would facilitate the theft of an inventor's intellectual property rights,'' end of quote by Mr. Herschbach as well.

America's greatest economic and scientific minds are pleading with us not to make the changes in our law that will diminish the patent protection of the average American. I have heard this pleading before, Mr. Speaker. As this legislation slid through the Subcommittee on Courts and Intellectual Property, the owner of a small solar energy corporation was in my office. And when we looked at the provisions of this bill, his face turned white and then he clenched his fist and he pounded on my desk and he told me, ''Mr. Congressman, if they change the patent law in this way,'' and this is a

man who owns a small company that is innovative and bringing about new changes in technology dealing with solar energy, something that will determine who will be able to be in a dominant position for providing energy on this planet 100 years from now or maybe even 50 years from now. This man was pounding on my desk:

> Congressman, if they change the laws in this way, it will mean that my Japanese adversaries will be able to steal all of my research and use it against me, and they will put me out of business. They will use the profit from my own technological developments to put me out of business.

That is what he told me.

Mr. Speaker, he was pleading with me to please inform my colleagues of the threat that this held to our economy. Then a few months ago, an entrepreneur in California who was aware of the debate then going on in Congress about this bill called me. This is a man who also runs a small company. This company specializes in the killing of bugs in an environmentally safe way. His company is now developing a whole new system of killing termites and bugs that eat up the food of mankind and eat up our houses and destroy property. He has developed a whole new method of doing this without the use of chemicals that would be totally environmentally safe.

Mr. Speaker, this man told me that he was frightened because his patent had not been issued and if this bill passed, he was afraid that again his adversaries would have the information available from research that he had financed and that they would put him out of business using his own technology against him, that they would be able to capitalize with stolen information; that he would not be able to capitalize until the patent was issued, and he had that in his hand to go to give people to invest in his company.

Then, more recently, I spoke with a constituent who wanted to know what I was doing in Congress. Mr. Speaker, I told him about the patent fight. He told me that he had been waiting for over 2 years for a patent and he described to me a unique way, and I cannot go into detail, of course, but a unique way of protecting the public against tainted meat.

He told me that if the patent reform, the changes that they were trying to put through in the Senate and they put forward in a bill here on the House floor, would go into law, that it would bankrupt him and that obviously people overseas and elsewhere would be copying his idea and he would never be able to compete with the big guys, because they would have all of his information before he was in production.

It was a heart rending thing for me to hear this, because what we have is we have just these three examples. Someone who is developing new solar technologies to try to make the world better. This man who has solar technology, it is a company in Ohio, claims that his changes will revolutionize energy production in the United States and throughout the world. But this could make it totally environmentally safe to produce electricity. Yet, he knows that that will be taken from him if the changes that are being suggested in our patent law would go into effect.

Mr. Speaker, we have someone who basically is trying to change the way that we kill bugs so that we do not have to poison our soil, which eventually becomes part of our body as we eat the food from the food chain, or to put poisons and chemicals into our homes so that our elderly and our little babies have such adverse effects from the chemicals we need just to kill the bugs in our own houses. He has a new way of doing that, but he knows if we change the patent law he is going to be left out.

Then we have, here on the heels of the E. coli catastrophe in which people lost their lives, a man who has a new way so that every housewife, every person who runs a restaurant will know whether or not, in a very cheap way, whether or not meat they are eating is tainted.

Mr. Speaker, these people will not continue to make these innovations that have changed our lives in the past. These individuals I am discussing right now, they will not continue to come forward with their new ideas if we make them vulnerable to their foreign and domestic predators who would take away from them everything that they have earned with their creativity, in their investment of their time, and their skill and their energy.

The spring of human progress will run dry if we take it for granted and if we change our laws so that people like this, the innovators of our society, can be robbed.

Mr. Speaker, now, what are these changes that I am talking about? The American people who have not heard about these proposals will be shocked to find out, because it must be pretty bad since we have 26 Nobel laureates who are pleading with us. We have had entrepreneurs pleading with us not to do this, and yet there is huge support in the Congress for this because there is an army of lobbyists representing special interests trying to get these changes put into law and the changes made in the fundamental law that have protected our citizens.

What are these changes? Who will win and who will lose by this legislative maneuver that is going on as we speak?

□ 1800

Well, it was 3 years ago when I discovered that Bruce Lehman, the head of our U.S. Patent Office, had quietly gone to Japan and signed an agreement to harmonize America's patent law with that of Japan.

Let me make that clear. Bruce Lehman, the head of our Patent Office, signed an agreement, we have a copy of that agreement, it has been in the CONGRESSIONAL RECORD several times, that would harmonize, commit us to harmonize America's patent law with that of Japan's.

The very existence of this agreement that had basically been kept from the public was frightening enough. The details of this giveaway of American legal protections was beyond anything that I could ever have predicted could ever even exist until I saw it for myself. I saw this agreement.

I said, no, this is a Pearl Harbor in slow motion. This is a person signing away the rights of the American people and getting almost nothing in return. And I discounted it until I actually found evidence that there were already legislative maneuvers taking place to implement this hushed agreement with Japan. Of course, during the debate on the patent issue, over and over and over again, I have stated about the agreement with Japan as being the primary motivating force for the changes that are being proposed in our patent law. Never did the opponents, my opponents on this issue, ever address that issue until we forced it on the floor.

Then finally they admitted, well, if you are trying to fulfill international agreements, that is a good enough motive, and then let it slide very quickly. I do not consider that a good answer. I do not consider making an agreement with Japan to change our laws and make our laws like theirs to be something that should be taken lightly.

First and foremost, the agreement made with Japan, yes, would change our patent system, which was the strongest in the world. It is not going to change their system; it is going to change ours. They want change that would make our system, the strongest in the world, so it will mirror the Japanese system which is the weakest in the world.

Thus we have a situation where a fundamental protection for the American people, written into our Constitution, is changed. And people are acting as if that will not change reality, that it will not change the way we live, that it will not change our standard of living, that it will not weaken the middle class or make us less prosperous or make us less secure.

I hate to tell people who are that optimistic, but that is irrational optimism. The fact is, the prosperity we enjoy, the opportunity of the average person in this country, the peace that we have had comes from the fact that we have been technologically superior to our adversaries, both our economic adversaries and our political adversaries and, yes, our military adversaries.

We have been superior to them because we have had the strongest patent protection in the world. And now there is an agreement with the Japanese to make our system exactly like theirs, which is the weakest system in the world.

What happens? What happens in Japan? In Japan they do not invent anything. Twenty-six Nobel laureates

have signed this letter pleading with us not to make these changes in our patent law. Japan does not even have 26 Nobel laureates. They do not have that many Nobel laureates to sign a letter because they have a system that pushes the individual down, that makes sure that you have powerful economic shoguns that beat the little guy down and steal from him, and they have learned in Japan to be submissive.

Well, that is not what America is all about. I am not going to sit by and neither are many of my colleagues, when they have found out about this, and watch these changes be put into place blithely, as if they will not affect the well-being of the American people. They will affect it in a terrible way.

Again, I call this nothing more than a Pearl Harbor in slow motion because if these changes are made and these people are successful, 20 years from now we will have lost our edge and the American people will never know what hit them.

What is the essence that made ours such a strong patent system and provided these benefits? Well, from the very founding of our country, if you applied for a patent and it took you a long time to get that patent, you did not worry about it. Thomas Edison and the rest of them did not worry about it because they knew that no matter how long it took them to be issued that patent, they would have a guaranteed patent term, once it was issued, of 17 years.

They knew they would have that guaranteed patent term. The Wright Brothers knew that. Thomas Edison knew that. Cyrus McCormick knew that. The inventor of the sewing machine, Mr. Singer, knew that. This was something that was guaranteed. It was a guaranteed right of Americans to a patent term of 17 years.

Then we had a right of confidentiality. Everybody knows about that. You have heard of industrial espionage. What we are really talking about is the right of someone who has produced some new technology to own that and that when a patent has been applied for, that American has always had the right from the very beginning of our country to confidentiality. That confidentiality, by the way, has meant up until now that if someone in the Patent Office or someone else got ahold of the information of that patent application and released it to the public or stole it away or gave it to an adversary, that person could be charged criminally. That was a criminal charge to disclose information at the Patent Office.

So until the patent was issued, the person, the inventor, the innovator would know that, be comfortable that that information was not going to get to his enemies.

Third, there was an integrity to the patent once it was issued. In our system, once that patent is issued, it is a property right that is respected and has all the protections of almost every other property right. It was a solid piece of legal protection.

The Japanese system was different in each and every one of these ways. There was no guaranteed patent term. The minute someone applies for a patent under the Japanese system, the clock is ticking, not against the bureaucracy or the adversaries, but it is ticking against the inventor. And 20 years later, even if the patent has never been issued, that patent applicant loses all rights, all rights to any rewards from his invention and his new patent application.

Second, under the Japanese system, unlike our system, there is no right of confidentiality. After 18 months in Japan, an inventor applies for a patent and, after 18 months, it is published so that all the big guys can see what that guy is doing. They can come down and surround that little guy, and they can force him, through legal actions, both above the board and under the board, to give up that new innovation so that they can take the benefits for themselves.

Again, people in Japan never invent anything; of course, they do not. Just like if we let people steal the crops from our farmers and that would have been the way we lived, that the farmers always had all their crops stolen, pretty soon there would not be many farmers trying to grow crops anymore. Why should they?

Of course, in Japan, once a patent is issued, that patent is only worth about a half or a fourth as much as patents over here because there is what is called reexamination, which is basically saying that their patents lack integrity.

Needless to say, I was shocked when I learned that there was already an effort to implement the secret agreement to make our system like Japan's, because I could not believe it. No one is going to permit this to happen.

Sure, not only is it going to happen, they are trying to make it happen as we speak. This sellout of American patent rights to the Japanese and other American economic adversaries is going on right now. I first discovered the maneuver when I found a small provision snuck into the GATT implementation legislation. You may remember that.

GATT, a few years ago, GATT was brought to this body under fast track. I voted for fast track. I would not do it again. I would not do it again. But I voted for fast track because here is the understanding: The administration can negotiate an important trade deal with the knowledge that when they come here to the House that we will not be able to add or detract little provisions of it, but we have to vote it up or down. We cannot amend it. And in agreement for that, the administration agrees not to put in the implementation legislation anything that is not required by the treaty itself and give us ample time to look at the provisions.

The administration, this administration betrayed the Congress, betrayed me personally, because I voted for fast track. But I found that they had put into the GATT implementation legislation a provision that was not required by GATT. But what it was required by was this secret, little hushed-up agreement that they made with the Japanese to make our law exactly like the Japanese patent law. It had nothing to do with GATT. It had everything to do with that agreement with the Japanese.

In fact, I asked several times whether that provision would be in the GATT implementation legislation. Several times I was told it was none of my business. Is that not really nice for Members who are elected by the people of the United States to hear from an unelected official, that it is none of our business whether or not something will be included in a major piece of legislation? That provision in the GATT implementation legislation ended the 17-year guaranteed patent term that had been a right of Americans for over 160 years.

Was it a coincidence? Was this a coincidence? No. It was not a coincidence. In fact, you might think this just sort of got in there by mistake. It might be, well, that is not a plan, it is not some sort of maneuver.

Well, darn, if you just take a look at the other things that we have found since GATT passed, you will find that it is not a coincidence at all. In fact, lo and behold, another bill, another bill was passed through this body, and it was another bill that contained the other provisions that were part of the agreement that Bruce Lehman made with the Japanese years ago. What a coincidence.

In the GATT bill, there is the first provision of ending the guaranteed patent term. By the way, every American who hears my voice tonight or reads this in the CONGRESSIONAL RECORD or my colleagues should understand that 5 years ago, Americans had a right, a right to a guaranteed patent term. And they had that right since the founding of our country, and that now has been taken away and people do not even know what that is all about.

They have already had one of their rights taken away, and it is like they do not understand it. But they knew that Members of Congress, of course, would watch out for them and, if that right was important, that we would not have let it go.

No, it was put into the GATT implementation legislation, and we had no choice but either vote for that bill, including that provision, or vote against the entire world trading system. It was a betrayal of those of us who voted for fast track.

Then we find that the skids are greased for another piece of legislation that finishes the job of fulfilling the commitments made by Mr. Lehman to the Japanese. It was part of the Patent Publication Act which last session was put into the hopper, the Patent Publication Act.

But we stopped it in the last session. One of the reasons we were able to stop the Patent Publication Act last session was because it was too blatant. No one thought that anybody would pay attention to DANA ROHRABACHER or anybody else talking about the patent issue. And the very title of the bill demonstrated what that bill did. What did it do?

It demanded, like in Japanese law, after 18 months, if someone applies for a patent after 18 months, whether or not the patent has been issued, that it is going to be published for the entire world to see. This is what the entrepreneurs that I was talking about were pleading with us to save them from. They knew that if all of their innovation and their technological development was made public before their patent was issued, it was an invitation for every thief in the world to come here and steal our technology and use it against us, not only economically but on the battlefield as well.

So this session, this last session of Congress, we were able to stop that. It did not go through. So this session of Congress, it was reintroduced. It was reintroduced in a different name. The new name of the Patent Publication Act, which lets you know exactly what it is all about, they are going to publish all of our secret information, the new name of this bill is now the 21st Century Patent Reform Act.

Oh, my goodness, the Patent Reform Act has replaced the Patent Publication Act. I do not think this fools anybody. I think it is pretty crass for them to change the name of the legislation like this in order to cover up the basic purpose of the legislation.

□ 1815

What was in that bill? Well, what was in the bill this session was the same thing as last session. No. 1, after 18 months, whether the patent has been issued or not, it was going to be published for every thief in the world to come and take our technology and use it against us.

No. 2, in the bill was a provision, again mirroring some of the things in the Japanese system. A system of reexamination, that is what they call it. What reexamination is, is it means that once an individual is issued a patent, these powerful interest groups, whether they are in Japan or in the United States or in China, or wherever they are, they can come in and challenge the patents that have already been issued to Americans.

So we are not only talking about new innovations that are being threatened by this patent bill, we are talking about challenges to our patent holders so that instead of paying the royalties to our inventors, foreign corporations and, yes, our own big corporations will just find legal ways to attack the legitimacy of the patent that has already been issued.

This will be a catastrophe. It will be a disaster for the guys who do not have the money to buy a stable of lawyers.

Third, this bill, and I know this is going to sound funny, but it actually obliterates the Patent Office as part of the U.S. Government. It really does. That bill, the bill I am talking about, the 21st Century Patent Reform Act, would take the Patent Office, which has never had a scandal in our country's history, because the patent examiners, God bless those hard-working people, they have never had a scandal in the sense that our patent examiners have been found guilty of passing on information or taking bribes. They have always done their job without fanfare.

But they want to take that organization now and turn it into a quasi-private, quasi-government corporation like the Post Office, opening these patent examiners up to influences and forces that they have never had to deal with before.

The patent examiners work hard. They make decisions that will tell us who owns what properties that are worth billions of dollars, and now we are going to just for no reason, without looking at this, turn it into a Post Office, like private corporations, like where huge corporations can have their people on the board of directors and it can accept gifts.

This makes no sense at all. It is like taking our courts and opening them up to outside influence. It is crazy, but that is what is part of the bill.

There has been an army of lobbyists in this town spending millions of dollars, and these lobbyists are not just from huge American corporations; they are from corporate interests from throughout the world trying to influence this Congress, this House and the U.S. Senate to pass this legislation, and they are trying to keep it as quiet as possible.

Tonight, they are so upset because these 26 Nobel Laureates are calling attention, calling to the attention of the American people this horrible, horrible change that they are trying to make in our legal protections.

Well, if it were not for democracy on the air, talk radio, because the mainstream media has never paid attention to this, and hopefully, the mainstream media will pay some attention to these Nobel Laureates, but throughout this entire battle, for 3 years, the mainstream media would not pay attention to this battle.

So I went to the talk shows and other people went to the talk shows and democracy on the air mobilized the American people. And when that bill went through this House, we were able to get out of it about 60 percent of the bad stuff.

Then it went over to the Senate. However, in the Senate, Senator HATCH is trying to push a piece of legislation, S.507, that is just as bad as the worst piece of legislation that was introduced here in the House.

What is going to happen? Action will take place in the Senate. People will have to call their U.S. Senators and their Congressmen, because once it takes place in the Senate, it will come back to the House in a conference committee, and behind closed doors, the decision will be made as to what the patent system will look like, and behind closed doors is where these lobbyists from these multinational corporations, from these huge predator corporations will have their most influence unless we can kill it in the Senate, unless the Senate votes it down and refuses to let it through the Senate.

It will be decided by the close of this session of Congress.

If we are able to mobilize the American people and let them know that a decision is being made that changes the fundamental protections we have had as Americans, we can win this. But every American has to participate. Every Member of Congress has to participate.

And let me note that I had lost my battle to offer a substitute to the patent bill when it came to the floor. I lost my battle. And it was the gentlewoman from Ohio [Ms. KAPTUR], a Democrat, and this is a totally bipartisan effort, but the gentlewoman from Ohio introduced a piece of legislation, an amendment to that same patent bill, that gave us the victory that we had. We won that because of that amendment, and we took out 60 percent of the bad stuff of that patent bill.

We have had broad-based bipartisan support because people, once we get their attention, once they listen to the Nobel Laureates pleading and saying something must be wrong here, what is going on, they understand that we are making a change that will hurt the American people, that will ensure that our children have a lower standard of living because they will not have the technological edge against our adversaries.

The entrepreneurs, the small businessmen, the individual inventors, the professors, and now the Nobel Laureates are pleading with us to pay attention. Please, please look and see what is happening here.

How can anyone vote for a piece of legislation that will disclose all of America's economic and technological secrets to our worst adversaries to use against us? How is that possible?

Please get involved. Do what Americans have to do to keep this a free country, and that is, participate in the decisionmaking process from the community back to Washington, DC. We are not meant to be a country that is ruled from a central capital.

That brings me to the final point I would like to make. Yes, this patent battle is symbolic. It is important in and of itself, but it is also symbolic. It is symbolic of something else that is happening in this post-cold war world that worries me tremendously.

What worries me is, I see the centralization of power, this sort of momentum that is taking place, that will leave Americans vulnerable to the predators of the world and will leave

the American people on a desolate island that lacks freedom and lacks prosperity in the years ahead because we have given away our authority and given away our constitutional protections to multinational organizations, whether it is the World Trade Organization, the World Environmental Organization, the United Nations, or the continued squandering of our defense dollars in order to defend Europe or Africa or other places.

The fact is, European security is not worth the tens of billions of dollars we spend by stationing troops there. Let them defend themselves. We should be a strong military power, but we should make the decisions ourselves. We should not be submitting our troops to the United Nations. We should not be submitting our economic decisions to global organizations who are run by unelected officials, who someday will make decisions detrimental to our people, and we will have no recourse through the ballot box to change those decisions. We will find ourselves vulnerable because we have given authority to foreigners who are not elected to make the fundamental decisions for our country or for the security of our troops.

This change in the patent law, trying to harmonize us with another country like Japan, which will prove, I believe, to be catastrophic, is just one of many moves to create a global marketplace, a global economy.

I believe in free trade, but that is free trade between free individuals. That is not a world-regulated trading system with an unelected bureaucracy making decisions for us.

Our multinational corporations seem to want to invest in dictatorships so they can make a 15-percent profit off slave labor, rather than a 5-percent profit over here using free Americans who are proud and have rights protected by the Constitution. No, they would rather go overseas and invest in Communist China.

These things are elite. America's political and economic elite seem to have lost faith with the fundamental vision our Founding Fathers had of a country of free and prosperous people where even the common man had opportunities and guaranteed rights that were undreamed of in the whole history of mankind. If we lose that vision, we will lose our freedom and our children will not live decent lives, and this bothers me. This patent fight is only one indication of that attitude.

Let us fight this battle together. Let us pick up the torch that Thomas Jefferson and Benjamin Franklin talked about.

Mr. Speaker, as I yield back the balance of my time, I submit for the RECORD the letter I referred to earlier in my remarks.

AN OPEN LETTER TO THE U.S. SENATE:

We urge the Senate to oppose the passage of the pending U.S. Senate Bill S. 507. We hold that Congress, before embarking on a revision of our time tested patent system, should hold extensive hearings on whether there are serious flaws in the present system that need to be addressed and if so, how best to deal with them. This is especially important considering that a delicate structure such as the patent system, with all its ramifications, should not be subject to frequent modifications. We believe that S. 507 could result in lasting harm to the United States and the world.

First, it will prove very damaging to American small inventors and thereby discourage the flow of new inventions that have contributed so much to America's superior performance in the advancement of Science and technology. It will do so by curtailing the protection they obtain through patents relative to the large multi-national corporations.

Second, the principle of prior user rights saps the very spirit of that wonderful institution that is represented by the American patent system established in the Constitution in 1787, which is based on the principle that the inventor is given complete protection but for a limited length of time, after which the patent, fully disclosed in the application and published at the time of issue, becomes in the public domain, and can be used by anyone, under competitive conditions for the benefit of all final users. It will do so by giving further protection to trade secrets which can be kept secret forever, while reducing the incentive to rely on limited life patents.

Nobel Laureates in support of the letter to congress, re: Senate Bill 507

Franco Modigliani, (1985, Economics) MIT.
Robert Solow, (1987, Economics) MIT.
Mario Molina, (1995, Chemistry) MIT.
Ronald Hoffman, (1981, Chemistry) Cornell.
Milton Friedman, (1976, Economics) University of Chicago.
Richard Smalley, (1996, Chemistry) Rice.
Clifford Shull, (1994, Physics) MIT.
Herbert A. Simon, (1978, Economics) Carnegie-Mellon.
Douglass North, (1993, Economics) Washington University.
Dudley Herschbach, (1986, Chemistry) Harvard.
Herbert C. Brown, (1979, Chemistry) Purdue.
David M. Lee, (1996, Physics) Cornell.
Daniel Nathans, (1978, Medicine) Johns Hopkins.
Doug Osheroff, (1996, Physics) Stanford.
Har Gobind Khorana, (1968, Medicine) MIT.
Herbert Hauptman, (1985, Chemistry) Hauptman-Woodward Medical Research Institute.
John C. Harsanyi, (1994, Economics) UC Berkeley.
Paul Berg, (1980, Chemistry) Stanford.
Henry Kendall, (1990, Physics) MIT.
Paul Samuelson, (1970, Economics) MIT.
James Tobin, (1981, Economics) Yale.
Jerome Friedman, (1990, Physics) MIT.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONILLA (at the request of Mr. ARMEY) for today, on account of family illness.

Ms. ROS-LEHTINEN (at the request of Mr. ARMEY) after 3 p.m. today, on account of attending the funeral of Mother Teresa.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MENENDEZ) to revise and extend her remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Member (at the request of Mr. HILL) to revise and extend his remarks and include extraneous material:)

Mr. HILL for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. MENENDEZ) and to include extraneous matter:

Mr. NEAL.
Mr. FRANK of Massachusetts.
Mrs. TAUSCHER.
Mr. PALLONE.
Mr. FILNER.
Mr. UNDERWOOD.
Ms. JACKSON-LEE.
Mr. KUCINICH.
Mr. REYES.
Mr. ROEMER.
Mr. LANTOS.
Mr. STARK.

The following Members (at the request of Mr. HILL) and to include extraneous matter:

Mr. GALLEGLY.
Mrs. MORELLA.
Mr. TAUZIN.
Mr. EVERETT.
Mr. FOX of Pennsylvania, in two instances.
Mr. JOHNSON of Texas.
Mr. FRELINGHUYSEN.
Mrs. ROUKEMA.
Mr. SOLOMON.
Mrs. NORTHUP.

The following Members (at the request of Mr. ROHRABACHER) and to include extraneous matter:

Mr. ETHERIDGE.
Mr. LAZIO of New York.
Mr. KILDEE.
Mr. FARR of California.
Ms. PELOSI.
Mr. ORTIZ.
Mr. MENENDEZ.

SENATE BILL REFERRED

A bill of the Senate of the following titles was taken from the Speaker's table and, under the rule, referred as follows:

S. 1161. An act to amend the Immigration and Nationality Act to authorize appropriations for refugee and entrant assistance for fiscal years 1998 and 1999; to the Committee of the Judiciary.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1866. An act to continue favorable treatment for need-based educational aid under the antitrust laws.