

Associates. Together Joe and Warren Gran have completed numerous schools for the New York City School Construction Authority, four SRO's for mentally ill adults and many other commercial, residential, and institutional projects.

Joe is currently designing the home for the Long Island Children Museum and Crosby Commons, a 67-apartment assisted living residence for United Methodist Homes of Connecticut. He has taught construction technology at New York University as a visiting lecturer and his work has been featured in the national media. He and Warren have been named local heroes by Time magazine for their work in supportive housing.

Mr. Speaker, please join me in congratulating Mr. Joseph Sultan for all of his years of faithful service to his country and to the 10th Congressional District of Brooklyn, NY.

TRIBUTE TO JUDGE RICHARD T.
FORD

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Judge Richard T. Ford upon his retirement on the U.S. Bankruptcy Court. Judge Ford's years of dedicated public and civic service have been instrumental throughout his career. His commitment to justice serves as a model for all Americans and should be held with the highest respect.

Richard T. Ford will retire early in 1998 as U.S. Bankruptcy Court judge. His retirement comes following his long-standing service in the community and in the courts. Upholding the values for improved practice and ethical standards, Judge Ford has been graced with an exceptional career as a lawyer and a counselor.

Judge Ford is a native to Fresno. He attended local public schools including Fresno State University. He has served his country in various capacities including time in the U.S. Army. Following his service in the Army, Judge Ford attended the Hastings College of Law.

After his legal education, Judge Ford return to Fresno area to work for the Fresno County District Attorney's Office. After his work for the district attorney, he practiced bankruptcy and insolvency law. He has served as a bankruptcy trustee and has administered thousands of bankruptcy cases over the years. Judge Ford began his service as a bankruptcy court judge on January 1, 1988.

Mr. Speaker, it is with great honor that I pay tribute to Richard T. Ford upon his retirement as a U.S. Bankruptcy Court judge. Judge Ford is a thoughtful, impartial, insightful, and thoroughly prepared judge. Litigants and counsel are treated with respect in his courtroom and are given full opportunity to be heard. I ask my colleagues to join me in wishing Judge Richard T. Ford the best of luck with the future.

RELIEVE THE TAX BURDEN

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to share some thoughts about taxes. The tax burden on Americans is out of control and not being eased fast enough. As we debate the best way to give Americans much needed tax relief I urge my colleagues to consider the comments of a constituent of mine, Brandi Graham, of Fort Collins, CO.

In 1914 the United States was preparing to enter into the most mammoth war the world had ever seen. She was strapped for the necessary cash to fund the unprecedented development, training, and transport of troops and weaponry across the globe. It was invariably the greatest financial challenge the growing nation had faced.

Congress took to radical measures. Among others, it enacted a temporary federal tax on income. It was a spirited debate that produced the 16th Amendment.

The first tax rate was a flat one percent of all income earned. An amendment was offered that would have capped the all-time federal tax rate at two percent. Unfortunately, the amendment was defeated. Many of the legislators wondered if allowing the federal government to tax individual income would be the slippery slope toward a government that would confiscate the earnings of its citizens. Tragically, their fears were to become realized.

In 1997, Americans worked through the month of May just to pay the tax collector. Only after June, did the Feds actually allow us to begin providing for our own families. In the hands of congressmen, the flat, one percent tax rate has become a cruel monstrosity bearing all the modern trappings of "progressive" taxation, loopholes, and shelters.

The tax code itself contains over 1,000 pages and requires legions of accountants to comprehend. "Progressivity" has caused citizens who work harder to find inexplicably that they only have less take home pay because they have achieved a higher tax bracket. Others discover that their savings are taxed at higher rates, or that they pay more to the government now simply because they decided to marry.

The scramble to escape the clutches of the income tax has approached the absurd. Billionaires exchange U.S. citizenship for tax breaks and companies move their operations to countries offering less confiscatory ways of raising national revenue. Our system is a disaster beyond repair.

So what would the authors of the 16th Amendment do if they were in Washington today? Well assuming they could recover from the shock of seeing the Frankenstein-like mutation of their quaint little income tax plan, they would almost certainly call for tax relief. They would urge the elimination of the myriad of loopholes and write-offs. But such a lesson might better persuade them that the original dissenters were right: That *any* income tax allows for government repression of its people. They might opt for the old and proven way of funding the federal government.

Today, seemingly all Americans agree that the tax code is hideous except for those who make the laws. Politicians seem to like the power confirmed by the prodigious code. They seem to enjoy the contributions from interests seeking to tweak the tax laws here and there for their selfish advantage.

But the nation's true leaders are those who understand the history of American taxation. They understand how hard Americans work to pay their government's largess. They realize that our nation once did well to rely on national sales taxes (we called them tariffs then) to fund all government operations. And our best leaders recognize today that a nation which ventured beyond a national sales tax has become perpetrator of a sick irony, embracing the very precepts against which it once rebelled, denying the fruits of real liberty with an arrogance of royalty and all the while crushing its people under the weight of oppressive taxation.

Mr. Speaker, as we move forward in our quest to relieve the tax burden, let us keep these comments in mind. Taxpaying Americans desperately deserve to make their own decisions on how their hard-earned money should be spent.

A COMPACT FOR AMERICA'S FUTURE: SAVING SOCIAL SECURITY FOR OUR GRANDCHILDREN

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. SMITH of Michigan. Mr. Speaker, a few months ago, I received a letter from one of my constituents, Betty Dowdling of Marshall, MI, urging me to continue working on preserving Social Security for future generations. "It is most certainly not fair to leave big debts for our children and grandchildren," she wrote. She's exactly right. The good news is that more and more people are coming around to Betty's point of view.

There has been a lot of talk in the last year about the future of Social Security. It is an issue that, in some way or another, affects every American, young and old. If you're currently working, you pay tax into Social Security—listed as FICA on your paycheck stub. And if you're retired, you probably regularly received a Social Security check.

When President Franklin Roosevelt enacted Social Security in 1935, it was meant to provide modest assistance to the Nation's most elderly—those over 65—paid for by the current work force. At that time, the system worked wonderfully. Most people never made it past the age of 61, and, as it worked out, about 42 workers contributed to the system for each retiree.

Today, Social Security is the Nation's largest budget expenditure. Thanks to advancing technology and improved health care, the average life expectancy for Americans is no longer 61, but a record 74. Instead of 42 workers paying taxes to support each retiree, there are now just three workers for each retiree. Instead of the old 1 percent payroll tax enacted in 1935, the tax is now 12.4 percent. In just the past 26 years, in fact, the payroll taxes all workers pay has been hiked 36 times—that is on average more than once a year. As the so-called baby boom generation starts to retire at the turn of the century, the ratio between workers and retirees will continue to get smaller and the propensity to increase taxes will continue to be greater. As early as 2005—less than 8 years from now—the Social Security trust fund will start spending more than it takes in. That is unless we take some action now to change the system.

Shortly, and with support from Democrats and Republicans, I intend to introduce a bill that would allow workers to use a portion of their current Social Security payroll tax for private investment. This bill would give you the option of investing your own earnings in stocks or bonds and with the guidance of a professional money manager, with potentially far greater returns that you would ever get in the current system. The average annual rate of return for stocks and bonds in the last 70 years has been 9 percent. That is almost five times the rate of return from Social Security. By allowing you to invest more of your money as you like—and your Social Security payroll tax after all is still your money—you could amass substantial savings.

Senator BOB KERREY, a Democrat from Nebraska who is also working on this problem, likes to tell the story about Gladys Holm. Ms. Holm was a secretary who in her whole life never earned more than \$15,000 a year. When she died last year at 86, she was worth over \$18 million. Her secret? She just put aside a little bit of money each month throughout her working life and put it in private investment. Through compound interest—and unusually wise investments—Gladys Holm had become a millionaire.

Though that example is probably atypical, we could do similar things with our Social Security system. By allowing private investment—as England does with great success—every American could actually have a strong safety net when they reach old age. Even better, the money you would invest and save would be your own—not the Government's. It is yours to invest, yours to spend, yours to pass on to your kids and grandkids or charities or whatever else you like. Private investment means more power to you.

If we enact these needed reforms, Social Security may finally create the retirement security President Franklin Roosevelt envisioned in 1935. This year, a Federal memorial opened in Washington honoring FDR. I think the better tribute to Roosevelt would be if we worked this year to preserve his most important legacy for his great-grandchildren, our great-grandchildren, and many generations to come.

“PAKISTAN SHOULD CONDUCT A FULL INVESTIGATION INTO THE MURDER OF UNION TEXAS PETROLEUM EMPLOYEES

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. GREEN. Mr. Speaker, earlier this morning, I was saddened to learn of the murder of four Americans in Pakistan who were employed by Houston-based Union Texas Petroleum. In addition, their Pakistani driver was also murdered. Although no direct link has been found, many suspect that this deliberate act of cold-hearted murder may be revenge for the murder conviction of a Pakistani in Virginia. I would like to express my heart-felt condolences to the families and friends of Ephraim Egbu, Joel Enlow, Larry Jennings and Tracy Ritchie. You are in our thoughts and prayers.

The murder of these courageous Americans is an outrage, and I call on the Pakistani Gov-

ernment to conduct a full and exhaustive investigation into this tragedy and to punish all those responsible. Justice delayed is, truly, justice denied. We must always remember, in the words of Dr. Martin Luther King, Jr., an injustice anywhere is an affront to justice everywhere.

This is a terrible and tragic loss. In Congress, we speak of the many tragedies that occur all over the world, especially to Americans. Although Americans continue to be at risk in many parts of the world, they faithfully carry out their duties and are not deterred by senseless instances, such as this one. The Union Texas employees stationed in Pakistan are no exception. Union Texas Petroleum has been active in exploring for, developing and producing oil and gas in Pakistan for over 20 years. The company has approximately 600 employees in Pakistan, 21 of whom are American citizens.

The management and employees of Union Texas have been leaders in supporting the communities in Pakistan where Union Texas operations exist and have funded the construction of numerous schools, colleges for young women and young men, medical clinics, and mosques, and have provided relief during natural disasters and other emergencies in Pakistan. Union Texas has been a good corporate citizen in Pakistan, and it is sad that such a needless and tragic event has been targeted at a company dedicated to sharing its resources with their host country.

This is a terrible loss for the families and friends of the victims, and for Union Texas.

CONCERN ABOUT FEDERAL SUBSIDIES

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to share with you the thoughts of a fellow Coloradan who is concerned, like all of us, about Federal subsidies. As the proposal to privatize Amtrak proceeds, Mr. Scott Slusher of Colorado has composed sensible views on this subject which I now submit for the RECORD.

Congress is currently working to reauthorize the Intermodal Surface Transportation Efficiency Act which lays out the federal government's plan for the nation's transportation infrastructure. The legislation affects everything from highways and interstates to airports and waterways. One of the more contentious topics is the future of railroad policy and more specifically, Amtrak and passenger rail service.

On one side of the argument are train enthusiasts and boosters of the rail service, and on the other side are critics such as Sen. John McCain who argue it is time for the federal government to get out of the railroad business.

What is ignored is that the free market, individual citizens, and American industry have already made their choice. The truth is that the country's railroad industry can be divided into two parts—one healthy and competitive, the other perennially on the brink of bankruptcy. The privately owned and operated freight rail companies continue to make a substantial contribution to the nation's economy, and their future as a mode of freight transportation is secure well into

the next century. On the other hand, passenger rail service, though heavily subsidized by the government, continues to lose passengers to faster and more cost-effective means of travel.

The numbers themselves make this contrast clear (statistics from 1993). Measured by the volume of freight transported, railroads accounted for 38.1 percent of domestic transport and were the number one method for transporting goods. Truck accounted for 28.1 percent of goods transported and were the second most common method of transporting freight. The private rail freight companies are clearly an essential part of our economy, and their continued success is a result of adapting to the modern economy and providing a competitive and cost effective service.

Passenger rail service, however, has been less successful. In 1993, intercity railways accounted for approximately 0.4 percent of the total number of passenger-miles traveled in the United States. Comparatively, private automobiles on the nation's highways and interstates accounted for 80.8 percent, and domestic air travel was responsible for 17.4 percent. Even intercity bus travel, with 1.1 percent, was more successful at attracting passengers.

The relative inability of Amtrak to attract passengers comes in spite of the \$18 billion in subsidies the federal government has given the railroad since its creation in 1971. While the initial plan was for Amtrak to be self-supporting in two years, it has consistently lost money for the last 25, and as it is currently managed, is not expected to ever be profitable.

While there was a time in which intercity railways carried the bulk of people across the country, the advent of cheap, fast airline travel, and the construction of the vast interstate highway network, has given Americans many more choices. They have responded by relying on the convenience of their automobiles, or availing themselves of the ability to travel from coast-to-coast in a few hours, as opposed to a few days.

The relative measure of passenger miles bears this fact out, but it also points out an opportunity to strengthen the vibrant portion of the railway industry. By allowing private freight companies the freedom to compete without undue government interference, and by encouraging innovation in the railway freight industry, we can assure a place for America's railroads in the 21st century.

Clearly, passenger rail service will continue where it is economically viable. Capital assets could be sold to private companies all along the Northeast corridor between Boston and Baltimore. The commuter railroads in major urban centers would continue uninterrupted. However, spending scarce tax dollars on a service that the traveling public has rejected clearly must come to an end.

Mr. Speaker, as we continue the debate on the Federal funding of Amtrak I ask my colleagues to keep these comments in mind as we search for solutions.

PROVIDING RELIEF TO THE AMERICAN VICTIMS OF THE APRIL 1994 BLACK HAWK FRATRICIDE INCIDENT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1997

Mr. COLLINS. Mr. Speaker, on Monday, I introduced legislation that would equalize the