

President and President Emeritus of the American University of Armenia.

Sir Francis Bacon said that "Knowledge itself is power." As a man who has dedicated his career to furthering educational opportunities for students around the world, Mihran has ensured that future generations will be armed with the knowledge to understand and resolve the complex challenges they face. He has been particularly active in the Armenian community, and using his skills and resources has worked tirelessly to improve the standard of education in Armenia.

Mihran's specialized degree and engineering background afforded him several opportunities, including the position of Chairman of the Civil Engineering Department at the University of Southern California. During his time at U.S.C., Mihran concentrated on turning a practically non-existent structural laboratory into one of the best in California, and as director of the environmental program, he integrated environmental research into a unified program in civil engineering. Mihran's expertise led him to Armenia in December of 1988 after an earthquake destroyed countless buildings, leaving over 25,000 people dead and more than 500,000 people homeless.

This experience left a remarkable impression on Mihran and led to the idea of establishing an educational institution of higher learning to help Armenia regain some of what it had lost in the field of education. Three years later, on the day that the Armenian Parliament declared independence, the American University of Armenia opened its doors to young scholars. As a driving force behind the creation and success of this institution, Mihran assumed the position of President and has continued to lead the University as a pre-eminent educational institution in Armenia.

Mihran's distinguished career has been highlighted by several honors, including being named "Man of the Year" by the Armenian Professional Society in 1978; "Distinguished Engineering Educator of the Year" by the Institute for the Advancement of Engineering in 1992; and most recently receiving the Kabakjian Award for Science/Engineering of the Armenian Students Association in 1996. He and his wife play an active role in several community events and organizations.

As an educator and a visionary, Mihran has provided the students of Armenia with the tools they need to improve their standard of living. In an uncertain, turbulent world, these students are armed with the knowledge to address issues that will not only affect their own lives, but the lives of many future generations.

Mr. Speaker, distinguished colleagues, please join me in paying tribute to Dr. Mihran Agbalian for the outstanding work he has done for the Armenian community.

THE ASIAN ECONOMIC CRISIS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 28, 1998 into the CONGRESSIONAL RECORD:

THE ASIAN ECONOMIC CRISIS

Over the last several months, the economic news has been dominated by the crisis in

East Asia— gyrations in stock markets, widespread business and banking failures, and the sharp decline of currencies throughout the region. Americans are concerned when our stock market fluctuates in response; they wonder about our role in responding to the crisis; and they worry about the overall impact of the crisis on the U.S. economy.

What is the crisis? The economic turmoil in East Asia is largely a banking and investment crisis linked to a collapse of investor confidence. Because East Asian economies are closely tied together, a series of problems—starting with a flawed exchange rate policy in Thailand this past summer—have quickly spilled over into neighboring countries. Five countries have been hit the hardest—Thailand, Indonesia, South Korea, and to a lesser extent, Malaysia and the Philippines—but a total of thirteen countries have been affected. Taken together, these economies comprise approximately a third of the world economy. The sums of money involved make this the largest economic crisis in recent years, far larger than the Latin American debt crisis of the 1980s or the Mexican peso crisis in 1995.

What caused it? For several years, Pacific Rim countries were growing rapidly. A huge wave of investment poured into these "Asian tiger" countries, but much of it was invested unwisely. In a word, there was too much of everything: over-investment, over-lending, and over-building, in ill-conceived real estate and industrial projects; over-saving, diverting the buying power from people; and over-guidance, with too many bureaucrats and government officials deciding which companies receive loans and investment. The region's successes obscured banking and financial systems rife with mismanagement and corruption. People ignored warning signs in the booming, rapidly changing economies, and overlooked the lack of reliable information and financial system safeguards.

How serious is the crisis? The Asian financial turmoil represents a serious threat to global prosperity. We are clearly at a critical moment for Asia. The outlook today is better than it was a few weeks ago, with most markets showing signs of recovery. Yet we should not be complacent. The problem is that the loss of confidence can be highly contagious. If, for example, Indonesia's economy collapses, so could other nearby economies, and that could take down markets across the world. In addition, although the crisis has not spread to China, it faces some of the same problems as its neighbors. So clearly the main concern is that the crisis not worsen and spread.

What is the impact on the U.S.? Most experts believe that the current turmoil will have a modest but meaningful impact on the U.S. Our economy is fundamentally strong and should be able to weather the current crisis. Moreover, as a result of our own financial crises in 1929 and in the 1980s, protections have been put in place to prevent most of the problems the East Asian economies are experiencing.

On the negative side, the U.S. will likely see its trade deficit grow as changes in exchange rates make imports cheaper and our exports more expensive. Some U.S. companies could see lower profits and some job loss, and wages could be held down. The experts think that U.S. economic growth for 1998 could be cut by up to a point, to around 2%. On the positive side, cheaper imports mean lower prices for consumers and should help keep down inflation in the U.S. In addition, our interest rates are falling, as investors worried about East Asia shift their funds to the U.S. That means, for example, lower home mortgage rates for Americans.

A greater fear is that the problems may undermine the political stability of the re-

gion and affect U.S. security interests. South Korea and Indonesia, for example, play an enormously important role in maintaining regional stability. Some governments in the region have fallen, and others could fall. In addition, there could be resentment against the United States because of its role in proposing tough solutions for the area's economies.

What steps are being taken to deal with the crisis? The greatest challenge now facing these economies is to restore investor confidence and financial market credibility. Several steps are needed.

First, because the crisis basically involves lending from private financial institutions around the world to private banks and companies in the region, these private lenders are being urged to renegotiate their loans to make it easier for borrowers to repay. Second, all the bad debt that remains hidden needs to be exposed so the full extent of what is needed to fix the problem is known. There has to be more transparency and better oversight of the financial systems of developing countries. Third, the International Monetary Fund (IMF) is extending emergency funds to beleaguered countries, in exchange for assurances that they will make economic reforms that will help ensure their ability to repay their loans. The U.S. has pressed the IMF to seek tough reforms, and the U.S. and other countries have agreed to provide emergency assistance if IMF money proves inadequate. The IMF is producing results in the region, but its role and accountability are being challenged. Fourth, we need an improved international financial mechanism in which both borrowers and lenders, who may now be bailed out, will pay a price and be subject to the consequences of their actions and the disciplines of the market. Fifth, Japan clearly needs to stimulate its economy. It has a special responsibility as the dominant economic power in the region to boost its economy in order to absorb more of the exports of its struggling neighbors. Finally, President Clinton needs to speak to the American people and to the world about the financial crisis. He needs to explain why bailouts are needed, how a collapse can harm our security, and how it can be contagious. His economic strategy must be shown to advance his security strategy and America's interests around the world.

What is the region's long-term outlook? Correcting the financial problems discovered in East Asia will take some time, and many difficult steps lie ahead. But the long-term outlook for the region is not bleak. Countries can still build on the strengths that fueled the "Asian tiger" economies in the first place, including a strong savings rate and a well-educated and motivated workforce. In addition, the crisis is driving Asian leaders to adopt market-oriented reforms of the kind favored by the U.S.—economic systems that are more open, liberalized, deregulated, and transparent. Because of the crisis, countries across the globe are seeing the advantages of open, accountable governments and financial systems.

THE TRUTH ABOUT THE TAXMAN V. PISCATAWAY CASE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1998

Mr. CLAY. Mr. Speaker, when the Black Leadership Forum decided to finance the settlement of the *Taxman v. Piscataway*, many outside the civil rights community asked

"why?". The Supreme Court has agreed to hear arguments and the case was said to be perfect for an argument in defense of affirmative action—both applicant were allegedly "equally" qualified. This was a total distortion of the facts. The candidates were NOT equally qualified. Debra Williams, the African-American teacher, had significantly higher academic credentials than did the other teacher. I submit an insightful column that accurately sets forth the real issue in the Piscataway case. The column was written by the distinguished economist, columnist, and educator Dr. Julianne Malveaux and appeared in the December 11, 1997 issue of *Black Issues in Higher Education*.

THE MYTH OF EDUCATIONAL ATTAINMENT:
WHEN A BLACK WOMEN'S MASTER'S DEGREE
EQUALS A WHITE WOMAN'S BACHELOR'S DEGREE

The Black Leadership Forum—an organization that includes the NAACP Legal Defense and Education Fund, the National Urban League, the National Council of Negro Women, and others—deflected energy from the controversial *Taxman v. Piscataway* case that the Supreme Court had committed to hear this session. The forum agreed to finance 70 percent of the nearly \$450,000 settlement that the plaintiff and her lawyers will receive from the Piscataway school board.

Sharon Taxman was the White business education teacher who was laid off in a downsizing while Debra Williams, an African American business education teacher, was retained. Since the two women were hired the same day and deemed "equally" qualified, the school board justified retaining Williams on the basis of "diversity."

Faster than she could spell diverse, Taxman was filing a lawsuit. Her quest for "equality" was affirmed by every court up to the Supreme Court, which had agreed to hear her case. Civil rights activists thought this was the wrong one to take to the nation's highest court, so they bought Taxman out.

I'm not sure how I feel about the buy-out. It's like postponing something tragic—in this case, the apathy that comes from a Supreme Court which appears to be indifferent to diversity as well as equality. But I am convinced that there are at least two villains in this story—and one of them is the Piscataway School Board.

Come again? To some, these guys seem like the good guys. They retained an African American teacher and laid off a White one, upholding diversity. At the same time, though, they tragically argued that two workers were "equally" qualified when one held a master's degree while the other had a lesser education.

If we were Debra Williams I'd be fuming through the ears. The myth that hard work and the quest for education would give you a leg up was busted in her case. Rather than the school board affirming her superior education, they told her that her master's degree was not worth enough for her to be considered more than equally qualified over a colleague with less education. (I almost typed inferior for less, but that is the oppressor's game.)

A careful examination of what happened in Piscataway explains why affirmative action has become America's whipping post. Instead of White employers telling White employees that they aren't competitive, the White employees are told that a position was assigned or retained because of affirmative action. That is the kind of lazy dishonesty that fuels the myth of White superiority.

Consider Proposition 209. We all know that it was championed by Republicans Pete Wilson and Ward Connerly, but the early poster

boys were two White men who presented themselves as academics and said they could not find jobs in the California State University system, despite their "qualifications."

To be sure, these men both had Ph.D. degrees. However, neither had earned academic distinction. They were not published, nor had they ever actually applied for jobs in the California state system—a fact uncovered in a blistering report by investigative journalists.

Nonetheless, one of these men said he could not find a job as a philosophy teacher in California. In the year he said he looked, five philosophers were hired, and three were White men. But he didn't challenge their status. There was an eminently qualified White woman hired, and he didn't challenge her status either. And an African American woman, also hired, was not the target of his ire.

Where was this undistinguished, unpublished, nonapplying product of our nation's system of higher education supposed to get a job? It didn't matter. In his warped mind, some mythical Black person was out there holding his job—and by golly, he was going to make affirmative action beneficiaries pay. Thus, Proposition 209.

Enter the second villain of this New Jersey-spawned affair. Taxman must have her head in the sand. Hasn't she ever heard that people lose their jobs. Spit happens, and the best thing to do with spit is to wash it off and move on.

Instead, she put her life on hold, apparently because she could not stand the notion that some Black woman should get a job she thought she should have. Never mind that the Black woman, her colleague, had more education. Never mind that her colleague was the better teacher. Taxman is White and she has wrapped herself in the privilege of Whiteness. Thus, her lawsuit.

The Supreme Court wouldn't see that because they are mostly White, too. Those who opposed Taxman would have had to overcome both the Court's distaste for affirmative action—and its pejorative description of such policies as "race-based preferences"—as well as a fealty to Whiteness.

The civil rights community bought Taxman off because they understood that the Piscataway school board improperly packaged this case, choosing affirmative action and diversity as the wrong reasons to let an inferior teacher go. If the school board had looked more carefully at the two women and their qualifications, this case may not have gone to court.

There's the rub. Spit happens. Downsizing takes place. What the Taxman case has said so far is that when downsizing doesn't fall on the shoulders of Black people, White people are ready to go to court. Or when all else is supposedly equal, White folks are supposed to prevail.

This is a premise that deserves challenge. But then there are others, such as the premise that a White woman's bachelor's degree is the equivalent of a Black woman's master's. That is only the case in a racist society.

HONORING KAREN HYMAN
SUSMAN

HON. KEN BENTSEN
OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1998

Mr. BENTSEN. Mr. Speaker, I rise to honor the memory of an extraordinary woman, Karen Hyman Susman of Houston, who passed

away December 3, 1997, at the age of 55. Her passing is a tremendous loss for her family, including her husband Stephen and their two children, Stacy and Harry; her friends; and all who believe in the honor of public service.

A distinguished attorney and dedicated community leader, Karen Susman contributed in countless ways to building a better future for Houston, especially the city's Jewish community, the arts, and education.

Mrs. Susman volunteered 20 tireless years to the Anti-Defamation League and its mission, including serving as Southwest Regional Chair and National Commissioner. She took ADL to a new level in terms of fund-raising and programming. She also served on the Board of Directors of the National Conference of Christians and Jews and on the Community Relations Council of the Jewish Federation of Houston, working with leaders of many faiths to improve religious and cultural understanding in Houston and throughout the nation. She dedicated her time and energy generously to other Jewish organizations as well, including the Lion of Judah Jewish Federation, Congregation Beth Israel, and the King David Society Jewish Federation. She and her husband, Stephen, endowed the Karen and Stephen Susman Hall, Slifka Center for Jewish Life, at Yale University.

Karen Susman was also a dedicated and valuable member of the Houston arts community, active on the boards of the Houston Symphony, Glassell School of Art, Houston Grand Opera, and the Contemporary Arts Museum. She had a great commitment to art as part of a strong community and worked to ensure that Houstonians from all walks of life could enjoy our city's many artistic and cultural treasures. She was especially concerned about increasing opportunities for young people to learn about art, serving on the University of Houston Art Department Friends Board and the Yale Art Gallery Board of Directors.

Karen Susman was not only a dedicated volunteer and community leader, but a distinguished lawyer as well. A graduate of the University of Houston Law Center, she was a Board Certified specialist in family law and frequently served as a court-appointed mediator.

Whatever she did, Karen Susman's intelligence, enthusiasm, and integrity served her and all those she encountered well. She brought a tireless energy, an unflagging drive, and a passionate caring to each of her endeavors, wearing many hats along the way. Karen Susman will be remembered for these qualities and her dedication to making the world a better place.

Mr. Speaker, Mrs. Susman's life was full, but her years among us were far too few. A remarkable woman, a distinguished attorney and volunteer, Karen Hyman Susman embodied the best of Houston and of Jewish life and experience. We are all infinitely richer for her legacy and were blessed with her wisdom, compassion, dignity and humor.

CONGRATULATING JOE CORSELLO

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1998

Mr. WELLER. Mr. Speaker, I rise today to congratulate Mr. Joe Corsello of my hometown