

it is because of our high levels of education and technology. We must do everything possible to advance our technology further and to advance the education of our workforce.

□ 1800

Perhaps the best example of the importance of research technology and science is illustrated by this chart which focuses on just one industry, an industry that barely existed a decade ago, that did not have a name 2 years ago, and that is the information technology industry. As this chart illustrates, over a third of all of the economic growth in this country came in that one industry, and we now sit at the beginning of a new century, a new century that will be, I think, marked as the Information Age, yet even before we begin this new century over a third of our economic growth is dependent upon an information technology industry that exists in large part because of the research and development conducted by American corporations.

The second point I wish to make is that not everything that is good and desirable is necessarily worthy of a tax credit, but tax credits are particularly appropriate where an activity engaged in by one company or individual provides benefits not only for those who are footing the bill, but benefits to society at large. A company that does research and development benefits not only itself, but our entire society and the world as a whole. Yes, a portion of the benefits of that technology will be reaped by the company that conducts it for they will seek a patent to defend their intellectual property. But many advances in technology achieved by our research projects are not patentable, and even those that are will become owned by the people of the world as a whole when the patent expires.

Furthermore, research project not only leads to a particular patent or a particular technology, it increases the general level of scientific education of those engaged in the project and increases the level of science in our society as a whole. Most economists would agree that where an activity provides such major external benefits, beneficial externalities to use the economics term, it is deserving of societal help, encouragement and, in this case, a tax credit.

Finally, there is the issue of whether we should continue to renew the credit on a yearly or several-years-at-a-time basis or make it a permanent part of our Tax Code. Keep in mind that the purpose of this tax credit is to encourage companies to do more research than they would otherwise. As a CPA and a tax lawyer in private practice for many years, I was witness to the strange process by which a provision in our tax law leads to a change in corporate behavior. Some day sociologists and anthropologists will study this

process. It is a process in which a tax expert has to explain to the others in the company what the tax law provision provides and what benefits would be reaped on the tax return from engaging in a particular project, in this case a research project.

There are two types of research and development that are eligible for the credit. The first is the kind of research project that would be done any way. Often research is done and the company is not even aware of the R&D tax credit until the next March or April 15th when they complete their tax return. The other type of research is that research that is conducted because the company is counting on getting the credit. It is that second area where the R&D tax credit actually achieves its purpose.

Yet I repeat my words. The company is counting on getting the credit. How can a company count on getting a tax credit for a multiyear large research and development project if by its very terms the R&D credit is supposed to expire at the end of this year or the end of next year? The R&D tax credit can achieve its purpose, and that purpose is to expand the amount of research done in our country only if companies can count on it.

Now no provision of our tax law is guaranteed to be there forever. But certainly a provision which by its own terms is going to expire in a year or two is particularly ephemeral. If instead we make the R&D tax credit a permanent part of our laws, then companies will rely upon it, their R&D budgets will reflect not only the possibility that the credit might be there in the many years that the R&D project continues, but the extreme likelihood that it will continue to be there since it is a permanent part of our tax law.

Mr. Speaker, I look forward especially in this year when we are enjoying for the first time the fruits of the fiscal discipline that this Congress has exercised, I look forward in this year of surplus to take this step of making the R&D tax credit a permanent part of our law.

#### REDUCING THE NUMBER OF INFANT DEATHS IN ONONDAGA COUNTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

Mr. WALSH. Mr. Speaker, the topic that I would like to discuss tonight is an issue of great importance in my home community of Onondaga County in which the city of Syracuse resides and I have represented now for 10 years in the Congress. When I first came to Washington back in 1988, we had the unfortunate distinction of having one of the highest infant mortality rates in the country. In 1987, 87 newborns died

before they reached their first birthday. Over the 1987 to 1989 period, an average of 68 infants in the county, or 10 out of every thousand died, again before they reached their first birthday.

These are horrifying statistics, and what makes it even worse, Mr. Speaker, is that the proportion of these deaths fell most heavily upon the minority community.

Last year we through now 10 years of concerted work and effort and coordination and caring, we have some excellent news to report. While even one death is unacceptable, we have succeeded in reducing our infant mortality rate in Onondaga County by over 50 percent. This remarkable change did not happen without a concerted effort. A number of devoted people and organizations contributed. I have always felt that the best government will sponsor a partnership between local, state and Federal governments, and special initiatives undertaken by local communities and the private sector, and in central New York we proved this to be the case. The efforts which have been successful in reducing the number of infant deaths in Onondaga County began in the early 1990's.

As a member of the Select Committee on Children, Youth and Families, I encouraged and was successful in bringing a former colleague of mine from New York, Mack McHugh, and others to hold a field hearing for that committee in Syracuse back in 1990. We had witness testimony from public health officials, physicians, nurses and parents about strategies for insuring healthy babies in upstate New York. As a result of these hearings, a number of projects were undertaken in the county with the goal of reducing infant death and increasing birth weight at the time of birth.

Since that time, a number of these projects have proved to be very effective in dealing with infant mortality. Dr. Jim Miller and his successors, including Dr. Lloyd Novick, Commissioner of Health in Onondaga County, should be credited for the innovative efforts to address this issue by creating initiatives to reduce the instance of infant mortality and low birth weight babies. One of these programs is called Healthy Start. It works to reduce both infant mortality and adolescent pregnancy. Adolescent pregnancy and infant mortality are interrelated, births to young women who are not physically or psychologically prepared to give birth or to adequately raise the child. Adolescents often cannot provide the care necessary to ensure the health of infants and often get into the system too late. Healthy Start realizes that by addressing the issue of teen pregnancy the instance of infant mortality can be dramatically reduced. Low birth weight, as we know, is a key factor in the health of newborns, and all efforts were targeted toward

healthy pregnancies and early intervention.

Healthy Start is dependent on the work of many partners in the local community: hospital staff, university health professionals, case workers, local schools, task forces. All can provide health education and care to adolescents and their parents and must include State, county and Federal health agencies and officials.

Doctor Sandy Lane is the Syracuse Healthy Start project director. She and her staff are to be commended for the committed efforts that they have made. She has been very modest about her program's ability to create the success. She credits involvement of local groups, partner agencies and the help of the Health Department programs and strongly praises the important Federal program, WIC, Women, Infant, Children, the feeding program to provide nutrition for both women and those children.

Syracuse Healthy Start funding is a combination of Federal, State and local funding. Over 4 and a half million dollars of Federal money have come in to the program through the Department of Health and Human Services, the Health Resources and Service Administration. Healthy Start also looks to Blue Cross and Blue Shield and to New York State Department of Health to obtain supplemental funds. The program has been largely successful because of these efforts.

Another such program is the Adolescent Risk Reduction Initiative. This seeks to address the issues of adolescent pregnancy and sexually transmitted diseases. It seeks to promote responsibility in sexual reproductive decision-making and parenting. The presumption is that responsible parents are better able to provide for the health of their children. Ways in which adolescent risk reduction initiative works provides for pure leadership, training youths to be responsible for themselves and to teach their peers to be responsible. Education on health issues. Parent workshops to get the parents involved.

Mr. Speaker, having not concluded my remarks, I ask that the remainder be included in the RECORD, and I end by saying that any community in America that is struggling with this terrible condition should have hope. You can do it, too. Healthy babies are worth the effort. It just requires commitment, coordination and a lot of caring.

#### EXCHANGE OF SPECIAL ORDER TIME

Mr. ROYCE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from New York (Mr. FOSSELLA).

The SPEAKER pro tempore (Mr. MILLER of Florida). Is there objection to the request of the gentleman from California?

There was no objection.

#### DEFENDING OUR NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROYCE) is recognized for 5 minutes.

Mr. ROYCE. Mr. Speaker, today on this House floor we passed House Resolution 4 which states that the U.S. must deploy and not just develop a national missile defense system, and we must deploy now and not leisurely aim to deploy at some point in the future, and the reason for that is because our country is so vulnerable. The resolution that we debated here today hopefully will spur the development because, as we noted here today, we are now defenseless against a single missile coming into the United States. Defending our Nation against attack is so fundamental a responsibility of ours and the stakes that we are talking about are so high that I think it is important that we understand how our country with its great military has gotten into our predicament of being defenseless.

The American people need to know. The answer is that since President Reagan introduced the idea of missile defense over 15 years ago, every reason in the world has been found to delay. For one, we have heard that the threat itself, we have heard the threat being discounted. In 1995 the administration predicted that no ballistic missile threat would emerge for 15 years. This past August the administration again assured Congress that the intelligence community could provide the necessary warning of a rogue state's development and deployment of a ballistic missile threat to the United States. Then that same month, that same month North Korea test fired its Taepo Dong missile. The sophistication of this missile unfortunately caught the intelligence community by surprise. North Korea, impoverished, an unstable North Korea, a regime about which the director of Central Intelligence recently said that he could hardly overstate his concern about it and which in nearly all respects, according to him, has become more volatile and unpredictable, may soon be able to strike Alaska and Hawaii, not to mention our allies and U.S. troops in Korea.

□ 1815

Ominously, North Korea is continuing its work on missile development, and this is the very threat that was supposed to be 15 years away.

Even before this rosy assessment, last July Iran tested a medium range ballistic missile. Iran is receiving aid from Russia.

Not surprisingly the bipartisan Rumsfeld Commission recently concluded that the threat posed by nations seeking to acquire ballistic missiles

and weapons of mass destruction, and I quote from the report, is broader, more mature and evolving more rapidly than has been reported in estimates and reports by the intelligence community, unquote.

The fact is that we live in a world where even the most impoverished nations can develop ballistic missiles and warheads, especially with Russia's aid, and then there is an expanding and ever-more sophisticated Chinese missile force.

This, in no way, is said to disparage our intelligence efforts. Instead, we just need to appreciate that these threats are difficult to detect and that we need to react. Pearl Harbor caught us by complete surprise. We have no excuse with today's missile threat.

The second excuse that we have heard for delay is the ABM Treaty. Faced with the very real threats that we have heard about, I am at a complete loss as to why our country would let an outdated treaty keep us from developing a national missile defense system.

Essentially, the administration has allowed Russia to veto our missile defense efforts. This is the same country, Russia, that is continuing to proliferate missiles by working with Iran.

Fortunately, Secretary of Defense Cohen has suggested in January that we would not be wedded to the ABM Treaty. He said that this treaty would not preclude our deployment of a defensive system, but this is only a step toward the deployment we need.

Others in the administration persist in calling the ABM Treaty the cornerstone of strategic stability. The ABM Treaty has an escape clause, and I believe we need to get beyond a treaty that keeps us from defending our territory in the face of a very real threat, a treaty, I might add, that the Soviets secretly violated. Renegotiating this treaty in a way that still precludes us from deploying the best missile defense system we can, allowing for a dumbed-down system, which is what the administration is suggesting, is simply not acceptable.

The fact is that the Russians have nothing to fear from us. The United States doesn't start wars. To forgo defending our territory because we're afraid of what the Russians may say about our defensive actions is indefensible.

Third, we hear that a national missile defense system is too costly. Yes, we have made an investment in missile defense since Ronald Reagan launched his initiative, though a small fraction (some \$40 billion) of what American industry invest in research each year. But let's be honest here, defense is not free. And there have been some failures. But since when does success come without failure. Entering the twentieth century, the United States is the wealthiest, most technologically advanced country in the history of the world. There is no reason beyond the ideology of arms control, complacency or worse not to deploy a national missile defense now.