

Why is the WTO dealing with this case to begin with? Why isn't it sticking to its mandate, which is international trade, and stay out of tax matters?

The EU brought this case to the WTO 2 years ago. In doing so, Europe broke an agreement with us that dates back to 1981. Congress passed the FSC in 1984. I remember very well all the work that we put into crafting the rules to place U.S. exports on a more equal footing with European competition. In crafting the rules, we relied on that 1981 understanding with the EU. It confirmed that foreign source income need not be taxed, and that failing to tax such income is not a subsidy. European exporters are not taxed on such income, and they enjoy value added tax rebates on exports as well.

This case is just another step in a European Union campaign which undermines the world trading system.

We saw it very clearly last year in the run-up to the Seattle ministerial. EU leaders tried in every way they could to avoid coming to the table to talk seriously about their number one problem: agriculture.

First, they started a public relations campaign to downplay expectations. In a number of meetings, they hinted that the Seattle talks would probably fail. Second, they tried to overload the negotiating agenda. They wanted to turn the trade talks into such a complex undertaking that we would never get to the real problem: EU agriculture. Third, they stalled in Geneva, so there wasn't any agreement on the scope of agriculture talks in Seattle. In 1995, they agreed to start agriculture talks in January 2000. But they wanted to put off getting down to business for as long as possible.

They are still trying to put it off. Putting it off hurts American farmers and agro-business. Putting it off hurts developing countries. Putting it off even hurts Europe itself in the long term. It just undermines confidence in the world trading system.

This FSC case makes things worse. Let's be very clear on what's going on here. We can set aside the European rhetoric about "respecting international obligations" in tax policy. That's not what this case is about. If the EU were serious about "respect for international obligations," it would take a close look at the tax policies of its members. This case is not about respecting international obligations.

This case is not about tax policy. If the EU were seriously concerned about the trade effects of tax policy, it wouldn't file a case in the World Trade Organization. That's no way to fix an international tax problem. Instead, it would seek multi-party talks in an organization like the OECD or the UN. But the EU doesn't really care about tax policy in this case.

This case is not even about money. The EU has no real commercial inter-

est at stake here. They haven't demonstrated any appreciable adverse impact on European companies from US tax laws. In fact, a number of European companies benefit from FSC! They have domestic subsidiaries in the United States, and these subsidiaries have set up Foreign Sales Corporations.

So what is this case about? It's about revenge. Pure, simple revenge. The Eurocrats want revenge for losing WTO disputes with the United States over bananas and beef. That's an open secret. Everyone knows where this case came from. It didn't come from European manufacturers facing unfair competition from US firms because of FSC. It didn't come from European banks. Or from European consumers. Or from European farmers. It didn't come from the members states. It came from EU bureaucrats, the gnomes of Brussels.

They were angry over losing the beef and banana disputes with the United States. The cases were long and hard. They took years. The EU fought us all the way. They lost at every turn, because we were in the right. When they refused to correct their illegal policies, the WTO authorized us to retaliate legally. And we did.

For revenge, the Eurocrats wanted to poke us in the eye, and show us that they could hurt us. So they took this case, which had been sitting on their shelf for years. They dusted it off and sent it to the WTO, despite our 1981 agreement with them on tax policy.

Well, they're playing with fire. Using the WTO as an instrument of revenge is dangerous for them, and dangerous for us. The WTO is a five-year old child. Its dispute settlement system is still young and fragile. The FSC case strains its resources, which are limited. But more important, the FSC case strains the political acceptability of the WTO system.

The political leaders of the EU should not have let this case go forward. It was a bad judgement on their part. Now it is in their interest and in the interest of the world trade system for them to settle this case amicably and fast. It will take wisdom and courage for them to do so. I hope they find that wisdom and courage.●

#### TRIBUTE TO JOHN C. SCHNABEL

● Mr. KOHL. Mr. President, I rise today to recognize the work of John C. Schnabel, who retired after fourteen years of service from the Wisconsin Association of County Veteran's Service Officers. He began his career with the Wisconsin Association of County Veteran's Service Officers in 1989 as the Secretary of the organization. During that time he used his personal laptop computer to electronically record Association records. This included researching and organizing a history of all CVSOs and Assistant CVSOs. He

also developed and printed the first handbook for Association Officers so that policies, procedures and other information were easily transferred from one secretary to the next. John Schnabel was effective in his career as Secretary of CVSO and went on to become Second Vice President in 1994, First Vice President in 1995 and President in 1996. Schnabel has been the Langlade County Veteran's Services Officer for the last 14 years and is the first service officer from the county to be elected president of the organization.

During his time as president he became instrumental in the establishment of the Advocacy Award as well as the state representative to coordinate access to VA OnLine, initiating sites for CVSOs and WDVA. He has worked on many Ad Hoc committees regarding computer operations and program development. He most recently acted as a member of an Ad Hoc committee to establish long term goals and training for the CVSO association. During his tenure, Schnabel was also named a recipient of the Citation for Meritorious Service, awarded by the American Legion's National Veteran's Affairs and Rehabilitation Commission in Washington, D.C.

The staff and veteran clients of the Langlade County Veteran's Service Office and the Wisconsin Association of County Veterans Service Officers will miss John's wonderful advocacy work greatly. However, Nancy, his wife of 36 years will enjoy spending more time with him.●

#### ALEISHA CRAMER

● Mr. ALLARD. Mr. President—I would like to take this opportunity to commend an outstanding student athlete from my home state of Colorado. Aleisha Cramer of Green Mountain High School has been named the 1999-2000 Gatorade National High School Girls Soccer Player of the Year. Aleisha's hard work and dedication earned her the prestige of being the number one soccer player of 246,000 high school girls across the country.

Ms. Cramer's athletic accomplishments include being the Parade Player of the Year, the National Soccer Coaches of America's Player of the Year as well as being accepted on the U.S. Women's National Team. Aleisha has led her team to the State Finals for three consecutive years, winning the championship in 1997 and 1999. Not only is Aleisha an amazing athlete, she is honor student with a 4.0 grade point average, a member of the student senate and a volunteer for church and school groups.

It is an honor for me to recognize the achievements of this amazing young woman. Aleisha leads by example and her work ethic, talent and civic duties have made her a role model that any

student can look up to. Aleisha Cramer has proved what hard work as a student, athlete and community member can accomplish.

Again, I would like to congratulate Aleisha Cramer, the 1999-2000 Gatorade National High School Girls Soccer Player of the Year, for her accomplishments. She has made the State of Colorado and this nation proud.●

GRACE TOWNS HAMILTON (1907-1992)

● Mr. CLELAND, Mr. President, "A political leader who changes his stances to fit the times is often called a politician in the dirtiest sense of the word. One who refuses to change, who remains with her lifelong ideals, is often called reactionary and stubborn. But such a person may also be seen as possessing both honesty and intrigue." So spoke Alton Hornsby, Morehouse College historian in 1990 as the city of Atlanta remembered one of its greatest treasures, Grace Towns Hamilton.

Grace Towns was quite simply, a legend in her own time. Born in Atlanta in 1907, Grace entered this world during a time of severe racial tension. In fact, her birthday came only 5 months after a ferocious racial massacre in Atlanta. For whites, the first decades of the twentieth century were the "Progressive Era." For blacks, it was indeed a most dismal era. The end of Reconstruction had left blacks as an often despised and almost always disenfranchised class made up largely of dependent laborers with little land and even less rights. Atlanta University (AU), on the city's western reaches, seemed an island of tranquility in the South, where blacks experienced the worst of the racial oppression and exclusion. Grace Towns' father was a professor at AU and she was able to enjoy a sheltered existence where both the student body and the faculty were integrated.

Grace Towns flourished while growing up at AU. Once she matriculated as a collegiate there, Grace became active in the Interracial Student Forum. She took this advantage of the opportunity to discuss a wide range of topics, including those which were most racially sensitive. For her, this was a forum to bring black and white students together. While she was editor of the AU student newspaper, the *Scroll*, Grace wrote of the forum, "the Forum has given us contact. We have heard each other's music, and talked as fellow students."

After graduating from AU in 1927, Grace Towns went on to pursue a master's degree in psychology at Ohio State University in Columbus, Ohio. During her college years, she became involved with the YWCA. The Atlanta chapter had a burgeoning student movement that took a divergent approach on race that was less cautious

than its parent organization at the time. It was interracial far before the first "Negro" was appointed to the board. After she graduated, the National YWCA offered her a secretarial job in one of its Negro branches. A favorite psychology professor at AU had a high regard for the psychology department at Ohio State and seeing as how the YWCA job would make it possible to finance her post-graduate education at the same time, Grace decided to go.

Grace Towns later admitted that there was no way she could have been prepared for what she faced in Ohio. The cocoon of Atlanta University ill-prepared her for the shock that awaited her in the Ohio capital city. Barred from movies, restaurants, hotels, even public restrooms, Towns felt accepted only within the confines of the Ohio State psychology department. Even the YWCA, which in Atlanta had seemed so dedicated to the rights of all women, without regard to the color of their skin, had its barriers and limitations. The prejudice and violent attitude towards blacks at the time made the goals and the religious and moral precepts professed by the organization a challenge that the "Y" often failed to meet.

These factors combined to make Grace Towns not sorry to leave Columbus, Ohio in the summer of 1928. She returned to Atlanta to finish the written requirements for her master's from Ohio State, having already finished the course work. After receiving the degree in 1929, she went on to teach at the Atlanta School of Social Work and also at Clark College in Atlanta. She married the love of her life, Henry Cooke Hamilton, in the summer of 1930. They moved shortly thereafter to Memphis where her husband had taken a job doing triple duty as dean, registrar and professor of education.

Grace Hamilton continued teaching, even through the first months of her pregnancy with her first daughter Eleanor, born in March of 1931. She had taken a position at LeMoyne Junior College and resumed teaching at LeMoyne while Eleanor was still young. She continued to teach there, although circumstances compelled her to undertake courses that she did not feel qualified to teach. In 1934, this frustration came to a head when gender issues and the Great Depression forced LeMoyne to terminate her employment. After volunteering with the NAACP and the YWCA, Grace took a position with the Works Progress Administration (WPA) conducting a survey on The Urban Negro Worker in the United States 1925-1936.

In 1941, the Hamilton family returned to Atlanta where Grace's husband became principal of Atlanta University's Laboratory High School. Grace had never set out to be a leader, but at this point she was thirty-four years old, had

an advanced education degree, and had worked steadily at professional jobs for more than a decade. She knew the value of community activism and education and set out to take part in the fight. This led her to the Atlanta Urban League.

From 1943 until 1960, Grace Hamilton served as the Executive Director of the Atlanta Urban League. During her tenure, she shaped the path of the League to better serve Atlanta, which was increasingly being seen as the South's "hub city." She moved the focus away from the national organization's emphasis on philanthropy and job procurement to a more Atlanta-focused program of housing, equality in school funding, voter registration and better medical care. Her biographers, Lorraine Nelson Spritzer and Jean B. Bergmark, wrote of her legacy that it "... was better appreciated by whites than blacks. The white world glorified her, clothing her in virtue without flaws. The black community viewed her with greater ambivalence, seeing blemish as well as the best and came closer to discerning the real and important person she was, probably because she was truly one of their own."

After Mrs. Hamilton resigned in 1960, she set out on her path to political success. She ran in a special off-year election in 1965 which brought her and six other black Democrats into the Georgia state legislature. The first black woman in the Georgia State Legislature, Hamilton was called "Atlanta's only real integrationist," "a leader," and a "bridge-builder." It was here where she made her most lasting contribution to her city and state, and all agreed she was that rare person who gave politics a good name. I remember fondly serving with her while I was in the Georgia state senate from 1970 until 1974.

While serving in the state legislature, Grace Hamilton sought to strengthen local government, particularly the Mayor's role. She also worked toward equal justice for blacks, and the elimination wasted tax dollars by seeking consolidation of Georgia's numerous counties. In 1971, she persuaded her colleagues in the Legislature to approve a sales tax increase to finance a city-wide rail and subway system—now known in Atlanta as MARTA, a crown jewel among the nation's urban mass transit systems. Her time in the Legislature was infinitely successful and in 1984, at the age of 78 she began to consider retirement. She decided for "one last go-around" but failed to detect the political risk she faced. She was defeated by a 26 year-old graduate student in public administration at Georgia State named Mable Thomas. After almost twenty years in public office, Grace Hamilton set out for the next phase of life.

Grace Hamilton lived on another eight years, overseeing the care of her