

August 3, 2001

H. RES. 193—CRIME PREVENTION
AND NATIONAL NIGHT OUT RES-
OLUTION

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. STUPAK. Mr. Speaker, I have introduced this resolution along with Representatives Curt Weldon and Joe Hoeffel to emphasize the importance of crime prevention at the local level and to recognize the efforts of National Night Out. I am pleased to say that this resolution has bipartisan support, with 64 cosponsors. I would like to specifically thank the Chairman JIM SENSENBRENNER Ranking Member of the Judiciary Committee, the Chairman and Ranking Member of the Crime Subcommittee, and the leadership on both sides of the aisle for their help in bringing this measure to the floor.

Our resolution calls upon the President to focus on neighborhood crime prevention, community policing programs and reducing school crime and to issue a proclamation in support of National Night Out.

PERSONAL EXPLANATION

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. JACKSON-LEE of Texas. Mr. Speaker, on rollcall No. 308, I was unavoidably detained on official businesses. Had I been present, I would have voted "aye".

RECOGNITION OF THE
RETIREMENT OF PATRICIA GIBBS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BONIOR. Mr. Speaker, today I rise to honor a remarkable woman, who has served remarkable organizations with outstanding professionalism and dedication. Patricia Gibbs is retiring from the position of Executive Director of Macomb County Community Services Agency which she has held for the last 13 years.

Ms. Gibbs began her career with Macomb County as the Quality Assurance Assistant for the Office of Substance Abuse. From there she rose to become one of the most influential health and human services individuals in Macomb County. It is easy to see how she has touched the lives of many of Macomb County's residents either directly or indirectly.

Ms. Gibbs was one of the original organizers of the Human Service Coordinating Body. The HSCB was put together to develop a more efficient county human services network. She has also chaired the Creating a Healthier Macomb Partnership Board, the first organization to bring hospitals, businesses, public and private agencies, and volunteers to-

EXTENSIONS OF REMARKS

gether to improve the health of county residents. Add to that her service on the Macomb Literacy Partners Board of Directors, her position as Chairperson of the Directors Council of the Michigan Community Action Agency Association, her contributions to the United Way Community Services Macomb Division Board of Directors and her memberships in the American Society of Public Administrators, the American Management Association, and the Michigan Literacy Association, and you could easily have the life's work of three or four people instead of just one. It is hard to believe that she has somehow found time to become a certified personal trainer and race walking instructor at Macomb Community College.

Please join me in recognizing Patricia Gibb's years of dedication to the health and well being of others. It takes a special person to pledge their life to the cause of making others healthier and stronger through counseling. While her expertise will be missed from 9 to 5 each day, thanks to her commitment to healthy living, we will still have the benefits of her wisdom for years to come.

JUDGE JAMES R. BROWNING
COURTHOUSE

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. PELOSI. Mr. Speaker, in honor of Judge James R. Browning, formerly Chief Judge of the Ninth Circuit, I am pleased to introduce legislation to name the federal courthouse building at 7th and Mission Streets in San Francisco the "James R. Browning U.S. Court of Appeals Building."

Appointed to the Ninth Circuit by President John F. Kennedy in 1961, Judge Browning served for 40 years, including 12 years as chief judge. He assumed leadership in 1976 at a time when appeals courts faced a large backlog of cases. Under his leadership, the Ninth Circuit expanded in size, eliminated its backlog, and cut in half the time needed to decide appeals. Since 1961, he has participated in almost 1,000 published appellate decisions and authored many other unsigned per curiam opinions on behalf of the panel as a whole.

As the head of the largest circuit court in the country, Judge Browning acted as a tireless and effective advocate for maintaining the unity of the Ninth Circuit. An extraordinary administrator, he implemented numerous innovations that reshaped the structures and procedures of the circuit. Many of his ideas were subsequently adopted in other circuits. He also emphasized the importance of collegiality and civility among the judges and the Ninth Circuit bar. He was instrumental in establishing the Western Justice Center Foundation, a nonprofit organization dedicated to improving the legal system by encouraging collaborative work and research.

Judge Browning earned his law degree from the University of Montana Law School in 1941, joining the Antitrust Division of the Department of Justice upon graduation. A U.S. Army Infantry private, he served in Military Intelligence in the Pacific Theater for three years, attaining

the rank of First Lieutenant and winning a Bronze Star. Subsequently, he served again in the Antitrust Division, then the Civil Division, becoming Executive Assistant to the U.S. Attorney General in 1952. From 1953 to 1958, he practiced law as a partner at Perlman, Lyons & Browning, leaving private practice again to become Clerk of the U.S. Supreme Court, prior to his appointment to the Ninth Circuit.

The Ninth Circuit includes all the federal courts in California, Oregon, Washington, Arizona, Montana, Idaho, Nevada, Alaska, Hawaii, Guam, and the Northern Mariana Islands. The courthouse at 7th and Mission was designed by James Knox Taylor, who also designed the U.S. Treasury Building in Washington, D.C., and built between 1897 and 1905.

It is my hope that in the near future, in addition to serving as a courthouse, this building can stand as a monument to the tremendous achievements of Judge James R. Browning.

INTRODUCING THE ACCESS TO
STUDENT LOANS ACT

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McKEON. Mr. Speaker, I rise today to introduce the Access to Students Loans Act.

This legislation permanently extends the McKeon-Kildee student loan fix.

The overall goal is to see that students are able to obtain student loans whether they attend Stanford or a career college in the inner city of Los Angeles. In order to achieve this goal, a stable and strong FFELP program is key to making sure these students are able to obtain loans each year without having to worry about whether one will be available.

During the 1998 Higher Education Act reauthorization, Representative DALE KILDEE and I Hammered out the current interest rate fix after numerous meetings and plenty of negotiations. The end result was the lowest interest rate for borrowers in the history of the program, with current rates in repayment at 5.99 percent.

These loans, however, are only as good as their availability. Banks won't make loans unless they are making a profit. Therefore only those students attending universities with low default rates will get served. Fixing this interest rate problem will be a direct benefit to those students who are usually underserved, and the most at risk of dropping out of college. This is why I want to see this problem fixed now.

Additionally, if we are able to solve this problem now we have a much better chance, with the necessary resources, to work on other challenges facing higher education in the 2003 reauthorization. Specifically, increasing funding for Pell grants and campus-based aid would be at the top of my priority list.

Included in the budget resolution under the leadership of Budget Committee Chairman JIM NUSSLE is a technical reserve fund specifically set up to make the current student loan interest rate formulas permanent. However, we

must take action to make the fix permanent before the current budget resolution expires.

I hope my colleagues will support me in this endeavor and cosponsor this important legislation which will ensure access to loans for all of America's students.

CHIQUITA BRANDS
INTERNATIONAL

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. WATERS. Mr. Speaker, Chiquita Brands International has played a historically controversial role in Latin America. Beginning from its inception as the United Fruit Company, Chiquita has assisted in the overthrow of democratically elected governments who refused to yield to its economic demands. Other allegations against the company include producing false documentation, intimidating potential competitors and bribing government officials in order to maintain its hold over Latin American banana production.

During the Clinton Administration, Chiquita also became embroiled in a well-publicized legal standoff with the European Union. The litigation resulted from the company's claim that the banana regime of the European Union, which attempted to protect small-scale producers in Africa and the Caribbean, would lead to business losses for Chiquita in the European banana market. In response to Chiquita's complaints, the White House challenged the European banana regime in the World Trade Organization (WTO).

Despite such strong-armed tactics, Chiquita has not been able to maintain market share nor profitability in the 1990s. Since Chiquita has never been a proponent of open competition and fair play at any time in its history, the company's claims that built-in competitive advantages for small producers hurt large producers seems especially dubious. Chiquita must begin to accept responsibility for its economic and strategic failings, rather than assigning blame to those who would assure a competitive market.

The attached article on Chiquita's irresponsible behavior was co-authored by Ernest Hartner and Randall Johnson, Research Associates with the Washington-based Council on Hemispheric Affairs (COHA), an organization that is committed to addressing issues associated with democracy and human rights throughout the Western Hemisphere. COHA's researchers have often spoken out about U.S. policies and practices toward Latin American countries. The article, which appeared in the June 18, 2001, edition of COHA's biweekly publication, *The Washington Report on the Hemisphere*, examines Chiquita's dubious history in Latin America.

I request unanimous consent to include this article in the CONGRESSIONAL RECORD.

CAPITOL WATCH: CHIQUITA BANANA'S HARD
DAYS

The long battle between Chiquita Brands International and its many foes may be approaching an unanticipated ending. The company's recent financial restructuring indi-

cates that a declaration of bankruptcy could occur in the near future. Chiquita has long attracted fiery criticism from human rights groups, labor unions and small-scale competitors over accusations of unethical and anti-competitive over accusations of unethical and anti-competitive business practices. Nevertheless, news of the company's financial difficulties came as a surprise to its detractors, who have often tended to see it more as a gun-toting mafia than a traditional corporation. Chiquita's possible demise should serve as a cautionary tale for companies seen as chronically operating outside the law, rather than acting as good corporate neighbors.

A SUSPECT HISTORY

Through its 120-year existence, Chiquita has been a leader in the world's banana industry. The company's long presence in Central and South America has emphasized political manipulation, dirty tricks and a history of labor exploitation. First created as the United Fruit Company in the 1880's, Chiquita historically has sought to take advantage of the systematic corruption and tainted operating conditions to be found, or to be created, in such countries as Costa Rica, Guatemala, Honduras and Colombia. While still known as United Fruit, Chiquita went so far as to arrange the overthrow of a democratically-elected government in Guatemala which has refused to yield to its self-serving economic demands. More recently, in the Otto Stalinski affair, Chiquita financed an alleged assassination attempt, produced false documents, and bought judges and hot-shot Washington lawyers in order to secure its dominance over the local banana industry. Preceding the 1990 Banana War, rival banana exporter, the Fyffes Group, alleged that Chiquita illegally undercut agreements that it had made with independent banana suppliers. Fyffes' Stalinski accused the company of filing a fraudulent warrant and corrupting local judges and other officials to carry out its will, resulting in the confiscation of his company's banana shipments. Chiquita claims that the warrant was filed only as a cautionary measure, in light of Fyffes' defaulting on mortgage payments owed to it. The warrant was later invalidated, but not before Fyffes had suffered serious financial losses. Beyond lost banana shipments, Stalinski also accuses Chiquita of financing an attempt to kidnap him, with the intent of doing bodily harm, using a false arrest warrant and paramilitary forces.

ROOTS OF FINANCIAL TROUBLES

Despite attempts to manipulate the global banana market in recent years, Chiquita has found it increasingly difficult to maintain market share and profitability in the late 1990's. While other banana producers such as Dole and Del Monte successfully adapted to changes in EU trade policy, Chiquita became embroiled in litigation and various schemes to buy influence in high places. On Chiquita's behalf, the White House Trade Office filed suit with the WTO against the EU's Lomé agreement, an accord developed to guarantee its former colonies preferential access to European markets and lucrative aid packages. The morning after the complaint was filed, Chiquita's CEO Carl Lindner expressed his thanks to the Clinton administration was a \$500,000 donation to several Democratic state committees' coffers. This donation represents only one in an unprecedented series of gifts made to U.S. political candidates, without regard to party affiliation. In fiscal year 1994, perhaps in an effort to hedge his bets, Lindner was the second

largest soft money contributor to political campaigns, with \$525,000 given to Democrats and \$430,000 given to Republicans.

Secretary of Commerce Mickey Kantor continued to defend Chiquita's interests before the WTO in the face of allegations that contributions made by Lindner had influenced his actions, and that Lindner had, in effect, purchased a foreign policy. Chiquita and U.S. officials worked actively to eliminate Lomé preferences, with the WTO ruling in Washington's favor, but in the end succeeded only in securing a partial compromise. The quotes first introduced by Lomé gave way to a first-come-first-serve policy that was later replaced by a partial distribution of EU banana licenses. During this period, Chiquita experienced a severe financial crisis that has led to its impending financial restructuring.

Chiquita's economic difficulties date back to 1992, several years before the signing of the Lomé agreement. The eagerness of Chiquita's Lindner to assign responsibility for its losses to the EU quota system should come as no surprise, given his traditional reluctance to operate within the confines of a competitive market. Traditionally, Chiquita has ruthlessly sought 'sweet-heart' deals with host countries leaders, which allowed to it to gain domination of the local banana industry, after after arranging for the purchased cooperation of local officials.

'STRONG ARMED' BUSINESS TACTICS

Despite some questionable cost-cutting measures aimed at maximizing profit margins, such as the use of fertilizers profit margins, such as the use of fertilizers banned in the U.S., anti-union tactics and the alleged corruption of judges and government officials, Chiquita still has been unable to sustain the economic growth experienced in the 1980s. The record profits of that decade were exhausted through Chiquita's single-minded devotion to protecting its banana turf, excessive legal expenses, and a series of poor management decisions. Instead of diversifying its product line, as Dole did by expanding into such new product lines as freshcut flowers, Chiquita chose to increase its involvement in the European banana market by making a determined assault against the relatively minor concessions made to the English-speaking Caribbean islands. It spent millions of dollars on refrigerated ships and advertising campaigns which sought to strengthen its hold in Europe, but saw little returns as a result of few changes in banana importation policy. This resulted in the heavy debt burden that leads many to predict Chiquita's downfall.

Chiquita has never been a staunch proponent of open competition and fair play, as evidenced by the accusations of bribery, fraud and kidnapping. The company filed suit against the EU alleging the 'preferential' treatment of small-scale banana producers. Chiquita adamantly views the guarantees established by Lomé, as an attack on the WTO's free trade provisions. In an attempt to account for its financial decline, Chiquita has focused attention upon problems caused by Lomé, rather than accept responsibility for its failed economic strategy.