open, civil societies and healthy market economies in which women can participate with democratic ideals. This support needs to be sustained for the long run until stable economies and civil societies are in place.

And third, in the developing world, locally-produced media programs and other media coverage are unparalleled in their potential to effectively educate mass populations about urgent social problems such as HIV/AIDS.

We would urge the committee to give special attention to this last point.

ROLE OF MEDIA IN COMBATING HIV/AIDS IN THE DEVELOPING WORLD

At a time when the incidence of HIV/AIDS has reached catastrophic proportions in Africa, there is an important opportunity to harness the power of local media to reduce the spread of this disease. Over 17 million Africans have died of AIDS since the epidemic began in the late 1970s. In at least eight sub-Saharan African nations, infection levels in the general population are 15% or higher.

Yet local news coverage of this epidemic is often seriously flawed. African journalists do not usually specialize in one particular area, so their general lack of expertise may be mitigated by the language they use. In many cases, the language may indirectly blame AIDS victims for their condition. This is not the case in the developing world.

By training local African journalists in how to cover this issue effectively and responsibly, organizations can help reduce the spread of this disease. This is a once-in-a-generation opportunity to change the way society perceives AIDS. Even if we were able to reduce the spread of this disease by half, that would still be a major success.

INTERNEWS

Internews® is an international non-profit organization that produces open media programs worldwide. The company fosters independent media in emerging democracies, produces innovative television and radio programming and Internet content, and uses the media to reduce conflict within and between countries.

Internews programs are based on the conviction that vigorous and diverse media forimer form an essential cornerstone of a free and open society. Internews projects currently span the former Soviet Union and Eastern Europe, the Middle East, Southeast Asia, Africa and the United States.

Formed in 1982, Internews Network, Inc. is a 501(c)(3) non-profit organization based in California, with offices in 23 countries worldwide. The organization currently has offices in Armenia, Azerbaijan, Georgia, Kazakhstan, Uzbekistan, Tajikistan, the Kyrgyz Republic, Russia, Ukraine, Belarus, Bosnia-Herzegovina, the Federal Republic of Yugoslavia, Kosovo, France, Belgium, Israel, Palestine, Israel, India, Thailand, Iran, Rwanda, Tanzania, and the United States.

To support independent broadcast media, Internews has done the following (as of 12/31/00):

Since 1992, Internews has trained over 16,000 media professionals in the former Soviet Union, the Balkans, the Middle East, and Indonesia in broadcast journalism and station management. The organization has worked with over 1500 non-governmental TV and radio stations since 1992.

Internews has also supported the development of 16 independent television networks linking nongovernmental TV stations in the former Soviet Union, the former Yugoslavia, and the West Bank and Gaza.

Internews has worked with local producers, created approximately 740 hours of television and radio programming. Internews' original programs reach a potential audience of 308 million viewers and listeners worldwide.

In addition, since 1994 Internews' Open Skies program has selected, acquired, versioned and distributed over 1000 hours of high-quality international documentary programming to independent television broadcasters in the former Soviet Union and the former Yugoslavia.

Just since 1998, the company has provided over $2 million in television and radio production equipment to nongovernmental media, in the form of grants or no-cost equipment loans.

Internews is primarily supported by grants. Funders include the US Agency for International Development, the Open Society Institute, the Rockefeller Foundation, the Ford Foundation, Rockefeller Financial Services, the W. Alton Jones Foundation, the Joyce Mertz-Gilmore Foundation, the Carnegie Corporation of New York, the Corporation for Public Broadcasting, the Miriam and Ira D. Wallach Foundation, the W.K. Kellogg Foundation, and many others. The organization had a budget of $15 million in 2000.

INTRODUCTION OF TRIBAL ENERGY SELF-SUFFICIENCY ACT

HON. NICK J. RAHALL II
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 28, 2001

Mr. RAHALL. Mr. Speaker, in my role as the Ranking Democrat on the Resources Committee, today I am proud to be introducing the “Tribal Energy Self-Sufficiency Act.” I am pleased to note that joining me as original co-sponsors are our colleagues DON YOUNG of Alaska, GEORGE MILLER of California, DALE KILDEE of Michigan, ENI FALEOMAVAEGA of American Samoa, NEIL ABERCROMBIE of Hawaii, FRANK PALLONE, Jr. of New Jersey, ADAM SMITH of Washington, MARK UDALL of Colorado, BETTY MCCOLLUM of Minnesota, and PATRICK KENNEDY of Rhode Island.

Native Americans have, by far, the highest percentage of homes without electricity. Many Native homes on Indian reservations are served by unreliable or electricity or unreliable electricity. I find this appalling and unacceptable especially in light of the fact that at least ten percent of the energy resources in the United States are located on Indian lands. In a community which often relies on lower than average wages, Native Americans pay a larger percentage of their income on energy needs than the rest of us.

In numerous instances Indian lands are cross-cut by transmission lines and distribution lines. Yet the homes on Indian reservations are still without electricity or unreliable electricity. I find this appalling and unacceptable especially in light of the fact that at least ten percent of the energy resources in the United States are located on Indian lands. In a community which often relies on lower than average wages, Native Americans pay a larger percentage of their income on energy needs than the rest of us.

As the House of Representatives prepares to consider legislation to further advance a national energy policy, we must not forsake the sovereign tribes to which the United States has a trust responsibility. In this regard, the fundamental purpose of this legislation is to provide Indian Country with the tools it needs to achieve energy self-sufficiency.

When enacted, this legislation will go a long way to promote energy development of Indian lands where it is warranted and badly needed. The “Tribal Energy Self-Sufficiency Act” contains a multitude of provisions relating to the production of energy resources on Indian lands, the development of renewable sources of energy, and access by tribes to transmission facilities largely by building upon programs that are already in place.

Mr. Speaker, I have worked to draft this comprehensive energy bill with the Council of Energy Resource Tribes, the Intertribal Energy Network and numerous energy and tribal experts representing well over 100 Indian tribes.
EXTENSIONS OF REMARKS

June 29, 2001

While this legislation was developed with a great deal of input from Indian Country, it does not purport to include every single proposal that was advanced. Rather, this measure is intended to reflect those areas where inter- ested tribes are largely in agreement with refinements made as it is considered by the committees of jurisdiction during the legislative process.

HON. JOHN CONYERS, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 28, 2001

Mr. CONYERS. Mr. Speaker, I submit that the following article from the Entertainment Law Review, by Pamela Conley Ulrich and Lance Simmons, be placed in the CONGRESSIONAL RECORD.

MOTION PICTURE PRODUCTION: TO RUN OR STAY MADE IN THE U.S.A.

(Pamela Conley Ulrich and Lance Simmons)

I. INTRODUCTION

Globalization profoundly impacts traditional ways of conducting business, and the entertainment industry is not immune from the new economics drastically changing the world. Could Hollywood become "Hollyhasbeen"? Will television and theatrical motion pictures shot in the United States go the way of the American car and American-made clothing?

Runaway production has caused serious labor issues, including the displacement of thousands of workers and jobs. In 1998, twenty-seven percent of films released in the United States were produced abroad, and an estimated 15,000 jobs were lost to foreign countries. Lower exchange rates, direct government subsidies and lower labor wages enticed American production companies to film in other countries. In 1998, the direct economic loss of runaway production was $2.8 billion. When coupled with the loss of ancillary business, the losses likely totaled $10.3 billion for 1998 alone. These losses juxtapose with the issues of free trade versus fair trade in an uneasy balance.

This Article considers why many television and theatrical motion pictures targeted primarily at U.S. audiences are not made in America. It also examines the economic impact resulting from the flight of such productions. Finally, it considers possible solutions in an effort to reverse the trend.

II. THE HISTORY OF "RUNAWAY PRODUCTION"


"Apart from the fact that thousands of job opportunities are available to technicians, musicians, and players are being 'exported' to other countries at the expense of American citizens residing in the State of California, there is the loss of the prestige, and in other States because of runaway production this unfortunate trend . . . threatens to destroy a valuable national asset in the field of world-wide mass media, an asset vital to our national interest and security. If Hollywood is thus permitted to become 'obsolescent as a production center' and the United States voluntarily surrenders its position of world leadership in the field of theatrical motion pictures, the chance to present a more favorable American image on the received increased attention in June 1999, when SAG and the Directors Guild of America ("DGA") commissioned a Monitor Company report, "The Economic Impact of U.S. Film and Television Runaway Production" ("Monitor Report"), that analyzed the quantity of motion pictures shot abroad and resulting losses. In January 2001, concerns over runaway production were addressed in a report prepared by the United States Department of Commerce. The "Monitoring-the-Movies Report of the Department of Commerce Report" was produced at the request of a bipartisan congressional group. Like the Monitor Report, the Department of Commerce Report acknowledged the "flight of U.S. motion pictures, the chance to present a more favorable American image on the general public. Numerous newspaper articles have focused on the concerns cited in the Monitor Report. For example, in The Washington Post, Lorenzo di Bonaventura, Warner Bros. president, president, explained the runaway production issue as follows:

"For studios, the economics of moving production overseas are tempting. The 'Matrix' cost us 30 percent less than it would have if we shot in the United States. . . . The rate of exchange is 62 cents on the dollar. Labor costs, construction materials are all lower. And they want us more. They are very embracing when we come to them."

Di Bonaventura and Warner Bros. received $12 million in tax incentives for filming the "Matrix" in Australia. This is a significant savings for a film that cost approximately $260 million to produce.

III. CAUSES OF RUNAWAY PRODUCTION

In the Department of Commerce Report, the government delineated factors leading to runaway film and television production.

A. Vertical Integration: Globalization

Globalization is defined by the International Monetary Fund as "the increasing integration of economies around the world, particularly through trade and financial flows." The term refers to the movement of people (labor) and knowledge (technology) across international borders.

Consequently, companies may become more productive and international in order to profit. Because companies are generally more interested in profits than in people, companies are often not loyal to communities in which they have flourished. Instead, they solely consider the bottom line in the process of making business decisions.

Columbia is an excellent example of the conversion from a traditional U.S.-based company to a global enterprise. Columbia began in 1918 when independent producer Harry Cohn, his brother Jack, and their associate Joe Brandt, started the company with a $100,000 loan. In 1926, Columbia purchased a small lot on Gower Street in Hollywood, California, and began production with just two offices and a small office building. In 1929, Columbia's success began when it produced its first "talkie" feature, "The Donovan Affair," directed by Frank Capra, who would become an important asset to Columbia. Capra went on to produce other box office successes for Columbia such as "You Can't Take It With You" and "Mr. Smith Goes to Washington.

In 1966, Columbia faced a takeover attempt by the Banque de Paris et Pays-Bas, owner of twenty percent of Columbia, and Maurice Clairmont, a well-known corporate raider. The Communications Act of 1934 prohibited foreign ownership of more than one-fifth of an American company with broadcast holdings. The Banque de Paris could not legally take over Columbia because one of Columbia's subsidiaries, Screen Gems, held a number of television stations. In 1962, the Coca-Cola Company purchased Screen Gems; Columbia's stock基础上的少数股东 Screen Gems would become an important asset to Columbia. Capra went on to produce another box office success for Columbia such as "You Can't Take It With You" and "Mr. Smith Goes to Washington.

Following Columbia's footsteps, other studios have globalized through foreign ownership. Universal Studios, Inc. ("Universal"), previously the Music Corporation of America, was acquired by the additional Japanese electronics company Matsushita in 1991, and four years later was purchased by Seagram, a Canadian company headquartered in Montreal. In 1985, Australian media mogul Rupert Murdoch acquired a controlling interest in Fox, and Time, Inc., a publishing and cable television giant, acquired Warner Bros. in 1989.

As studios become multinational, their loyalty to the community or country in which they were born is often abandoned. International corporations are no longer concerned with the ramifications of moving production outside uses for of their community. The result may be a loss of jobs, tax revenue and with bottom-line profits. Columbia exemplifies globalization. Columbia no longer owns a studio lot, let alone its humble beginnings on Gower Street. The company now rents office space in a building in Culver City, California. Not surprisingly, global corporations think globally, not locally. Shooting abroad is only acceptable if it leads to profits for companies who are not loyal to any one country.