

## EXTENSIONS OF REMARKS

## CUBAN INDEPENDENCE DAY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. BROOMFIELD. Mr. Speaker, today, May 20, marks the 89th anniversary of Cuban independence. This is a day that brings pride into the hearts of both Cubans and Americans. With the help of the United States and the American people, Cuba won independence from the harsh rule of Spain, and aspired to build a free and prosperous future.

Tragically, the hopes of the Cuban people for such a future have been put on hold by Fidel Castro's Communist dictatorship. Castro has not only failed to deliver on his promises for a better future for the Cuban people, but he has made his country almost completely dependent on the Soviet Union.

May 20 marks the founding not only of independent Cuba, but also of Radio and TV Marti, named after the famous Cuban freedom fighter, Jose Marti. Radio Marti is celebrating its sixth anniversary, and TV Marti its first.

The collapse of communism and the rise of democracy throughout the world were due in part to United States-supported international broadcasting, such as the Voice of America and Radio Free Europe. The Voice of America and Radio Free Europe kept alive the spirit of freedom and national identity that the Communists were working to eradicate. Radio and TV Marti are serving the same purpose for the Cuban people. Radio and TV Marti help keep hope alive in the hearts of the Cuban people by circumventing Communist censorship and broadcasting valuable news and entertainment programs. On January 11, the Wall Street Journal confirmed that "Radio Marti is the most listened-to station on the island." Both serve as a beacon of freedom in Castro's dictatorship.

Unfortunately, Radio and TV Marti have their critics. Some say that they only serve to hurt our relations with Cuba, that they are not worth the money we spend on them, that the Castro regime is only jamming them anyway. This year, some are talking about either shutting down TV Marti or seriously cutting its funding.

Such actions would be very short-sighted. The Soviet Union and other Communist states jammed Radio Free Europe and the Voice of America for years, but eventually relented. Castro's efforts to jam TV Marti only serve to highlight his heightened sense of insecurity.

Terminating or scaling back TV Marti would provide Castro a great political victory at a time when his regime is under its most serious challenge in 30 years. It would send a signal that the United States has lowered its concern about human rights and individual liberties in Cuba. Given the changes in Eastern Europe, we should increase our efforts in other coun-

tries that still suffer under totalitarian repression, not decrease them.

Lets not quit while we are ahead. Lets celebrate Cuban independence day by maintaining our commitment to Radio and TV Marti.

## HEALTH CARE REFORM: LET'S MAKE SURE THE CURE IS NOT WORSE THAN THE DISEASE

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. ANDREWS of Texas. Mr. Speaker, there is an easy answer to the question of what the Nation's health policy should be: we need to lower costs, increase access, and maintain quality.

Surely, everyone shares these goals. I just wish it were as easy to implement them as it is to say them.

Our country faces a terrible dilemma. The more we expect from medicine, the more costly health care becomes. Health care spending has tripled since 1970.

These costs have made health insurance too expensive for millions of Americans. Today, 37 million Americans have no health insurance and do not qualify for Government programs. Of all the States, Texas ranks next to last in terms of health care coverage—27 percent of all Texans are not covered.

The burden of health care costs on business is tremendous. The costs of providing health care benefits to employees jumped 21 percent from 1989 to 1990. These costs hurt our country's competitiveness. Businesses now spend one-fourth of their profits on health care.

These costs undermine the Government's efforts to control the deficit. The employer tax deduction for health care benefits will cost the Treasury \$33 billion in 1992. Only two other deductions—one for pensions and the other for home mortgage interest—cost more.

Medicare is the fastest growing part of the Federal budget. It will surpass defense spending in the next century if current trends continue.

The administration's response has been to cut Medicare reimbursements to hospitals and physicians. Congress has agreed to some of these cuts but not before reducing their size. This year for the first time, Congress has rejected all the administration's proposals for more cuts.

We have cut Medicare to the point where providers have no choice but to make up the losses by increasing the charges to private pay patients. We are simply reinforcing the cycle of increasing the cost of private insurance and pushing more people onto the rolls of the uninsured.

Piecemeal reforms like Medicare cuts will accomplish nothing in the long run. Congress has begun to focus its attention on comprehensive reform. The Committee on Ways and Means, on which I serve, recently held a series of hearings and a weekend retreat on various reform proposals.

Many proponents of reform want to establish a single payer system. Everyone in the country would be eligible for care, and all providers would be reimbursed at rates set nationally. Waiting lines would replace the ability to pay as the basis for rationing care.

Another series of proposals would reform the private insurance market. In today's market, there's more competition on the ability to weed out high risk individuals than on the ability to control costs. During the 1980's, overhead costs of health insurers rose faster than the health care costs. The overhead costs for marketing and administration increased by 93 percent while the benefits paid increased by 77 percent.

To fix this problem, the General Accounting Office has proposed making everyone insurable by establishing uniform rules for eligibility, benefits, and procedures for filing claims. The GAO would also set national expenditure caps to control costs.

Another insurance reform would eliminate the practice of experience rating which causes insurance costs for small employers with high claims to increase rapidly. Yet another plan that has been hotly debated for many years is to require all employers to provide health insurance. Before Congress moves enact a national health insurance plan, I believe we should exhaust all the possibilities for improving access to the private insurance market.

But unless we control costs, any plan that guarantees access will be too costly.

Controlling costs is no easy task. Government and industry have been working on cost control for the last 10 years with mixed success. Costs would be higher if it were not for these efforts. But we still have a major problem. Medical costs are rising at a rate of 11 percent.

Economics teaches us that increasing demand should lower prices as long the supply of services is not restricted. But this has not happened with health care. For example, the supply of doctors has been increasing, but doctors' salaries increased 75 percent faster than the rate of inflation during the 1980's.

The cause of this problem is probably that consumers do not shop for price; they shop for quality. This suggests the need for a new strategy for negotiating prices. Some large companies have actively sought to purchase health care based on the value of the services purchased. Companies like Southwestern Bell, Chevron, and Honeywell have reduced their annual cost increases from 20 percent to 10 percent.

Managed care programs eliminate the need for consumers to shop for services. They have

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

generally been more successful at controlling prices. But these gains are often offset by price increases for those not enrolled in managed care programs.

The fee for service plans have the inherent problem of removing the insurance company from any direct negotiation over the prices that are paid. It is all too easy for us to leap to a national price control system for this reason without looking at intermediate steps.

We need to develop better alternatives to controlling prices. Hospitals have been successful at reducing the average length of stay for Medicare patients by 17 percent from 1978 to 1989. It is ironic that hospitals are now taking so much heat for a lower occupancy rate that is the natural result of shorter hospital stays.

Congress has started to fund research on the effectiveness of medical practices. Surprisingly little work has been done to determine the best medical practices. Our medical schools are very good at teaching the theories of medicine, but we need to have a better handle on the practice of medicine.

Armed with this knowledge—it is called outcomes research—we can eliminate unnecessary procedures and control the number of times that expensive procedures are used. But the results of this research are years away, and in fact, it will forevermore be a part of our approach to medicine. Any new system of health care should facilitate the spread and use of outcomes research as the results become available.

So how does the country resolve all these possibilities for reform? We can look to the States for innovations that are already taking place. Oregon, Hawaii, and Massachusetts are all experimenting with new systems. They will give us many answers before Congress enacts legislation.

The Canadian system began this way. The province of Saskatchewan established universal access to hospitals in 1946. From there, the program spread to other provinces and was nationalized in 1972.

We may see the same process beginning in the United States. The State budgets of Texas and other States are under great stress from health care costs. The impetus and ability to experiment is stronger in the States. These experiences hold the promise of important lessons for the Nation.

It is too early to predict the results. But I am committed to making sure that the cure is not worse than the disease. We cannot undermine our country's leadership in medical care. Despite the shortcomings, no other country can offer better health care.

The institutions in Texas—like the Texas Medical Center in my district—are on the cutting edge of medical research and quality care. Our country has the best trained health care providers in the world. We are the leaders in the research, development, and diffusion of medical technology. People come from all over the world to use our medical facilities.

The country cannot afford to let the health care industry go the way of the steel industry, the auto industry, and the electronic industry. We have the competitive edge, but we must reshape the system to better meet our needs.

The debate in Congress will not be resolved this year. It may well take a debate in the

Presidential election to lay the groundwork for comprehensive reform. But there is no doubt that the debate in Congress now will have a great effect on the reforms we may enact later.

IN SUPPORT OF THE NATIONAL  
BOARD FOR PROFESSIONAL  
TEACHING STANDARDS

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. COLEMAN of Missouri. Mr. Speaker, I am pleased to join my colleague on the Education and Labor Committee, PAT WILLIAMS, in cosponsoring legislation which provides Federal assistance to the National Board for Professional Teaching Standards.

Currently, there is a great deal of discussion about how best to reform our Nation's elementary and secondary schools. The educational goals of our Governors, President Bush's recently announced "America 2000" proposal, and the many congressional bills to improve education, all seek the same objective: to create schools which can produce the best educated citizenry in the world.

Improving the quality of teaching in the classroom is, I believe, the most effective means of improving the education of students in our elementary and secondary schools. The National Board for Professional Teaching Standards offers an important means of improving the quality of our Nation's teaching force.

By setting high and rigorous standards for what teachers should know and practice in the classroom and, then, certifying those who meet these standards, the board will set a standard of accomplishment and professionalism which will inspire excellence in our schools. The board promises to make teaching a profession that is respected in the community and attractive as a lifelong career to America's best and brightest college graduates.

I support the National Board for Professional Teaching Standards not only because of its goals, but because it is an effort by the profession itself, which has already managed to command the respect and support of teachers, school boards, State superintendents, Governors and State legislators, and corporate and foundation support.

I also support this legislation because it ensures that the board's structure and work will include no direct Federal involvement. Every Federal dollar must be matched by a private dollar and must be competitively spent on research and development activities, which will be awarded openly to universities, scholars, teachers, and research institutions.

Outstanding teachers and scholars in elementary and secondary education fields will make up the board's committees which oversee the research and development activities and set the standards for high level professionalism.

Board certification will be voluntary, designed to recognize the accomplishments of veteran teachers, not novices, whose prepara-

tion and experience enable them to understand and practice the teaching methods which challenge students to achieve their highest potential. This voluntary certification does not replace or supplant current State licensing requirement of teachers.

If this system of national board certification succeeds in its mission, its impact on the teaching profession will be considerable. Teachers, for the first time, will have the opportunity to meet fair and demanding professional standards. Board certification will give these teachers greater recognition, responsibility, and reward. School districts will seek to recruit and retain board-certified teachers and will encourage beginning teachers to seek the knowledge and mastery of their field for certification. All of this will help to upgrade our Nation's teaching profession and to retain those who are the most talented.

With Federal support, not Federal involvement, the board is an important step in making teaching both an honorable calling and a respected profession in its own right.

A TRIBUTE TO HENRY VAN  
MOUWERIK

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LEWIS of California. Mr. Speaker, each year the Grayback District of the Boy Scouts of America selects an outstanding local citizen who exemplifies the principles of the Scout oath and law and serves as a role model to youth in the community. This year, the district has chosen Henry Van Mouwerik of Redlands as "1991 Distinguished Citizen of the Year" for his fine achievements, outstanding civic and community leadership, service to others, personal character, and enthusiasm for life. He will be honored at a special dinner held at the University of Redlands Orton Center on June 4.

Henry Van Mouwerik was born in Redlands and attended Redlands Christian School and Redlands High School. He graduated from the University of Redlands in 1950 and served in the U.S. Air Force as a medical supply officer from 1952-54. Henry committed 25 years of his life to Brookside Dairy working in vending, retail and wholesale distribution, dairy product processing and production, and rising to become managing partner. In 1980, he left Brookside to pursue challenging new opportunities in real estate.

Henry's commitment of time and energy has made a tremendous difference to many people and organizations in our community. He has served on the board of directors of the Redlands, Chamber of Commerce, Redlands Christian School, and Redlands Christian Home. He served on the board of directors of the Dairymen's Service Association, 1960-78; Redlands Community Hospital, 1965-72; Redlands Federal Savings & Loan, 1966 to present; San Bernardino Valley Municipal Water District, 1980-90; and Redlands YMCA, 1968-71, and 1984 to present. He has served as president of Redlands Community Hospital, 1969, 1971, 1972; Redlands YMCA, 1987,

1988; the San Bernardino Valley Municipal Water District, 1984 to present; and chairman of the board of Redlands Federal Savings & Loan, 1989-present.

Mr. Speaker, I ask that you join me, our colleagues, and the Grayback District of the Boy Scouts of America in honoring the fine achievements and selfless contributions of Henry Van Mouwerik. It is fitting that the House pay tribute to him as he is recognized as the 1991 Distinguished Citizen of the Year.

**MARINE LT. BOB MUNGER SHOWS WHY AMERICA TRIUMPHED IN DESERT STORM**

**HON. GERALD B.H. SOLOMON**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. SOLOMON. Mr. Speaker, I recently received a letter from 1st Lt. Bob Munger, a young marine officer from my district.

If you want to know why I am so proud to be a marine, if you want to know why America is once again the world's undisputed superpower, if you want to know why our Armed Forces triumphed so impressively in the gulf war, read this letter.

You will understand again that today's volunteer military is the best trained, best educated, best equipped, and most highly motivated in our history.

Lieutenant Munger's letter simply radiates youthful confidence, Marine pride, and unabashed patriotism, and I proudly enter it in today's RECORD:

DEAR SIR: Thanks for the letter!

I consider myself lucky to be an infantryman during this time period. It gave me a chance to serve the military in the exact way I've always wanted to.

Our battalion operated under Task Force Grizzly in conjunction with the only other straight leg infantry Task Force to infiltrate the first echelon defenses, which were located 23 clicks into Southern Kuwait. We began the battalion-sized infiltration at 1900 21 Feb. 91 (3 days prior to G-Day). At 0400 22 Feb. 91 we were entrenched and invisible to the Iraqi defensive positions about 2,000 meters from the minefield. The battalion's vehicles sat in a natural bowl-shaped terrain feature a couple of clicks back. Iraqi defensive fire plan sketches blew across our positions along with countless indicators of their low morale and discipline. During the day on 22 Feb. 91 we remained unseen in our waist-deep holes, watching the sorties and artillery pepper the minefield, Iraqi positions, and avenues of approach (and escape) with the new dual-purpose, improved casualty munition ordinance, fuel-air explosives, napalm, and general purpose bombs.

The pilots shamelessly ignored the 12,000-foot harddeck, which they were required to maintain due to Iraqi triple-A and guns. Needless to say, the grunts were ecstatic. We knew that we weren't supposed to be in Kuwait yet (we picked up BBC on our walkmans and heard Dick Cheney say ground troops weren't in-country yet as of 22 Feb. 91) we were aware that it was 1 Marine Infantry Task Force vs. 11 Iraqi infantry divisions for about 72 hours, until the rest of the 1st Marine Division was to punch through their mech. heavy Task Forces (Ripper and Papa

Bear). We were very aware of the great saving power of Marine Air and Artillery. Those pilots never ceased pounding the positions, except when it was Arty's turn to run their rocket-assisted projectiles to deep targets such as division HQs and supply points. Sir, it was amazing, everyone new the odds on paper and were so cocky about their unstoppable force. We knew we would roll over them and walk through the Iraqi positions the way Marines did in WW II! The air display was picture perfect, even entertaining, those young pilots were so skilled at close air support they'd tip their wings to us during their egress, often flying inverted over our positions to wave to us. We were truly a tight Marine Corps.

Well, sir, there's much more to tell of the ground war from a grunt's point of view, as you and Mr. Orsini well know! I come to NY on leave on 08 May 91 to celebrate with my family.

Our battalion was the senior deployed unit, having been on UDP to the Far East since 03 May 90, and took the district pleasure in being released from the Middle East among the first units!

You wrote in your letter that "we owe you a lot," but to me the inverse is more true. Because once I got the taste of true service to my country, I can't imagine doing anything but the same for the rest of my career. For everything this nation does for me, I will never sit back on past achievements and be satisfied. It is my privilege to serve in the U.S. Marines, the most rewarding branch of all. I can't imagine a better way to spend my young years. Who else at age 25 can say he led a platoon of the finest American men to take an airfield compound, armed with rockets, grenades, automatic weapons and bare hands?

I'm glad I was there, because I made sure it was done exactly to orders and helped the Marines reach their potential as a unit. If you want something done right . . . call for the Marines! For 216 years it's been said, but for me "Semper Fidelis" takes on a renewed spirit.

The only thing that held us from going further north was the U.S. government. Please let them know that we would have continued with high morale at the drop of a hat, and are constantly prepared to do so in the future at their convenience.

Semper FI,

BOB MUNGER.

**INTRODUCTION OF LEGISLATION TO DISTRIBUTE U.S. FLAGS TO CERTAIN MEMBERS OF THE ARMED FORCES**

**HON. JAMES A. TRAFICANT, JR.**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to urge my colleagues to cosponsor a bill I introduced today that would provide for the distribution of a U.S. flag to each individual who serves as a member of the Armed Forces in a hostile area during a period of war.

Present law requires that the families of servicemen that die while serving the United States in a war receive a flag honoring the serviceman's ultimate sacrifice to this Nation. My bill takes that law a step further. It requires that each member of the armed services serv-

ing in a hostile area during a period of war receive a flag after his or her return to the United States.

The Secretary of Defense or Veterans Affairs, depending on the serviceman's status, would be required to provide those servicemen with a flag up to 1 year after service terminates. A hostile area is defined as any area in which hostilities occur, as determined by the Secretary of Defense.

The bill is drafted to include veterans and servicemen of Operation Desert Storm as eligible to receive flags as well as any veterans and servicemen of future wars that would serve in hostile areas. We should honor all of our courageous servicemen with a U.S. flag. After all, they were willing to fight to defend the Nation that the flag represents. I urge my colleagues to show their patriotism by cosponsoring this very important measure.

**SAFETY-BELT EDUCATION PROMOTES USE AND SAVES LIVES**

**HON. BOB CARR**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. CARR. Mr. Speaker, I rise today to make my colleagues aware of a national effort to save thousands of lives in America every year. It has come to my attention there exists a national, nonprofit organization dedicated to reducing traffic injuries and fatalities by encouraging safety-belt use and educating motorists about occupant-restraint systems.

Traffic Safety Now, Inc. was organized in the fall of 1984 to educate motorists about the benefits of safety-belt use and to support passage of safety-belt-use laws at the State level. It is funded by American Honda Motor Co., Chrysler Motors Corp., Ford Motor Co. and General Motors Corp., and supported by the National Automobile Dealers Association, the Automotive Occupant Restraints Council and the Motor Vehicle Manufacturers Association of the United States.

So far, this effort to educate and pass legislation has resulted in dramatic progress. The death rate on our Nation's roads and highways was reduced to an all-time low of 2.2 fatalities per 100 million miles of travel in 1989, according to data from the National Highway Traffic Safety Administration.

In the 6 years since Traffic Safety Now's inception, 36 States and the District of Columbia have passed safety-belt-use laws which are still in effect and the outlook for additional State laws is good. These laws cover more than 216 million Americans. The National Highway Traffic Safety Administration estimates 20,000 lives were saved by safety-belt use from 1984 through 1989. State safety-belt-use laws are credited with saving more than 10,500 of those lives.

The results of research released by Traffic Safety Now in March 1990 indicated 3 out of 4 people favor the passage of a safety-belt-use law in their State. The results also showed 88 percent believe safety belts save a significant number of lives annually. These responses reflect the success Traffic Safety Now has achieved in educating America's mo-

toring public about safety belts and convincing people safety belts really do save lives.

Though this success is commendable, there is more credit due. The organization has funded safety-belt coalitions in all 50 States and the District of Columbia. These coalitions not only support Traffic Safety Now's efforts, but take the initiative to encourage safety-belt legislation in their individual States. More than 500,000 people have been involved with these coalitions since 1984 and each coalition should be recognized for its progressive efforts in directing public education and information campaigns on a State level.

Together, Traffic Safety Now and its network of coalitions have conducted programs designed to reach a broad cross section of the public, including individuals covered by State safety-belt laws and the remainder who, hopefully, will one day be protected by such legislation. Additional research conducted by the organization has shown myths often develop into excuses for not wearing a safety belt. Traffic Safety Now's educational programs are designed to present safety-belts as life-saving devices and help dispel myths about their use.

All indications are that these programs are working. A recent public-opinion survey indicated common myths about safety belts have eroded significantly since 1985. For example, when comparing 1990 to 1985: 49 percent fewer people believe they can brace themselves in a crash of less than 40 miles per hour; 33 percent fewer people believe motorists don't need safety belts when traveling short distances; 20 percent fewer believe safety belts often trap people in their cars after a crash; and, 20 percent fewer people believe rear-seat passengers don't need to wear safety belts.

Traffic Safety Now has conducted extensive research to provide the most current statistics on safety-belt use. The knowledge it accrues through ongoing research fuels Traffic Safety Now's numerous public-education projects, including publication of brochures and production of public-service announcements which are distributed to radio and television stations around the country to encourage motorists to buckle up.

The organization also provides local and national publications with editorials and news articles written to promote increased use of safety belts and highlight the benefits of safety-belt laws. In addition, its executives spend countless days traveling across the country spreading the buckle-up message. Traffic Safety Now has committed itself to becoming the premier resources for safety-belt information on a national basis.

Mr. Speaker, the reduction of traffic deaths and injuries is a matter of high national priority. President Bush has directed the Nation to reach 70 percent belt use by 1992. He understands the importance of personal freedom—that is, the freedom to travel on America's roads with a reasonable degree of security—but the Nation must recognize the overwhelming costs that burden us from the needless deaths, injuries, property destruction and loss of working time which traffic accidents cause.

Traffic Safety Now recognizes there are significant economic implications which safety-belt-use laws do address. On a national level, it's estimated that the reduction in serious and

moderate injuries has produced a savings of \$2.8 billion in direct costs to society. As a component of its overall effort to defray societal costs by encouraging safe-driving habits, Traffic Safety Now promotes the establishment of corporate safety programs as well. According to the National Highway Traffic Safety Administration, automobile accidents are the primary cause of on-the-job deaths and lost work time.

Traffic Safety Now encourages corporations to establish programs to attain greater use of safety belts by employees, both on and off the job. Corporate safety programs save employers costs of medical payments, property damage, fringe benefits, insurance, and employee-replacement costs. American businesses have seen savings of \$1.2 billion as a result of a reduction in traffic-related deaths of employees.

Fortunately, research has indicated for the fifth consecutive year the people of this Nation favor safety-belt-use laws by a 3-to-1 margin. Few issues have attained the public support safety-belt-use laws have had since 1985. In addition, the increase in safety-belt use since the first State law was passed in 1984 indicates police officers are enforcing the laws.

Traffic Safety Now and its coalitions are working with police to emphasize the need to increase enforcement to help meet President Bush's safety-belt-use goal. Currently, safety-belt use in States with laws is above 50 percent while less than 36 percent buckle up in those without laws.

The National Safety Council reported last year traffic crashes rank as the No. 1 killer of Americans ages 1 to 44. At current rates, the probability of being involved in a motor-vehicle injury accident during a 75-year lifetime is higher than 86 percent. Still, many people do not bother to fasten their safety belt when they ride in a car. Apparently, drivers and passengers do not realize the dangers they face when failing to invest a brief moment in a simple and potentially life-saving procedure.

In a more positive vein, Traffic Safety Now's tireless efforts to inform and educate have helped make safety belts a way of life for more than 216 million people.

Mr. Speaker, although the ultimate decision is made by the individual motorist, it is our responsibility as public officials to protect the public by educating them about the advantages of safety belts. Traffic Safety Now already has set a precedent. But there is more to be done.

I am most hopeful, with the continued support of the people of the Nation and a leading advocate for safety-belt use—Traffic Safety Now—that buckling up one day will be routine for every American motorist.

#### POULTRY PRODUCTS AND PUERTO RICO

**HON. E. THOMAS COLEMAN**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. COLEMAN of Missouri. Mr. Speaker, I would like to bring to the attention of the Members of the House of Representatives a matter of concern that represents a potential threat to

the free flow of trade between the United States and the Commonwealth of Puerto Rico. A bill was introduced in the House of Representatives of the Commonwealth of Puerto Rico that restricts the distribution and sale of imported frozen poultry products in Puerto Rico. This bill prohibits the sale of frozen poultry products 30 days after the slaughter date. Packaging and labeling of these products imported to Puerto Rico would be required to include the expiration date of that 30-day period and no sale would be permitted after that date.

There is no scientific evidence cited to justify a 30-day expiration date for frozen poultry products. The U.S. Department of Agriculture does not impose any such requirement; and, I am informed that such a requirement violates the provisions of the Poultry Products Inspection Act, which does apply to the Commonwealth of Puerto Rico.

If this bill is passed by the Legislature of the Commonwealth of Puerto Rico and signed by the Governor, an undue restriction will be imposed on poultry products produced in the U.S. mainland and shipped to Puerto Rico. It appears that the result will be to give an unfair competitive advantage to the poultry industry in Puerto Rico, which would not be covered by the provisions of the bill. The consumer in Puerto Rico will be adversely affected due to higher prices for these poultry products.

Many of these consumers are recipients of the Puerto Rico Nutrition Assistance Program. This program is a part of the Food Stamp Program and in 1991, \$963 million has been provided to pay for the benefits issued to needy families in Puerto Rico. Over \$100 million is provided to Puerto Rico through the National School Lunch Program. It is difficult for me to understand why the government of Puerto Rico should attempt to restrict the sale in Puerto Rico of poultry products produced on the U.S. mainland and also reduce the food purchasing power of needy families in Puerto Rico.

It is my hope that both the Legislature and the Governor of Puerto Rico will not allow this bill to become law and will recognize that the free flow of commerce between the U.S. mainland and the Commonwealth of Puerto Rico will be to the benefit of all.

#### A TRIBUTE TO EMIL TORKAR

**HON. JERRY LEWIS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the many outstanding achievements of Emil Torkar, the outgoing president of the Rancho del Chino Rotary Club. In his 1990-91 service, Emil has contributed enormously and made a tremendous difference to the Rotary Club and the citizens of Chino.

Emil's accomplishments are many and varied. Under his guidance, the Rotary Club has made contributions to the Chino Historical Society and become lifetime members. The club has also contributed to the Graffiti Abatement Program and provided financial assistance to

support Kind News, a publication presented to nearly 75,000 school children in the Pomona Valley teaching them the value of establishing caring relationships between people and animals.

Emil's leadership is also making a tremendous difference to people in need of a helping hand. With the help of Rancho del Chino volunteers, Christmas baskets and toys were distributed to needy families in the community. Area senior citizens were assisted in holding a Christmas dinner at the Senior Citizen Center. With almost full participation, the club membership sponsored its first housepainting project, painting the home of a local senior with donated materials.

The Rancho del Chino Rotary established the Career Opportunities for Youth Program and subsequently had it approved by the Chino School Board as a program of the Chino School District. The program will assist high school students to prepare for the job market by receiving on-the-job training while being paid and recognized for their efforts. In addition, the club raised funds needed to send two high school students to the Rotary Youth Leadership Awareness Conference on Catalina Island to hear leaders in business, politics, athletics, and entertainment. Presently, the club is seeking the means to purchase much needed band equipment for area high schools.

The Rancho del Chino Rotary also recently sponsored Public Safety Recognition Day where representatives of the Chino Police Department were honored for their commitment to public safety in our community.

The efforts of the Rancho del Chino Rotary Club are also being felt on the other side of the world. Contributions to Project Eastern Europe will assist in establishing the Management Learning Center in Poland. The program will aid Eastern European countries in developing free market economies, strengthen democracy, and promote the ideals of the Rotary Club.

Mr. Speaker, I hope you will join me and our colleagues in recognizing the many fine achievements of Emil Torkar. Without question, his leadership and the fine work of the Rancho del Chino Rotary Club are worthy of recognition by the House today.

#### CHURCH OF THE MESSIAH IN GLENNS FALLS, NY REFLECTS HISTORY, FAITH OF THE PEOPLE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. SOLOMON. Mr. Speaker, I represent a district that is saturated with the history of our colonial period and the first century of America's expansion.

More than a record of wars and politics, the true history of the region records the lives of everyday people, how they worked, how they raised families, and how they worshipped. When new communities were hacked out of the wilderness, churches were practically the first structures erected.

The people of the area are still religious, and they have preserved the earliest churches as monuments to our history and to their abiding faith.

One of the most beautiful churches in my district—I would dare say one of the most beautiful in the country—is the Church of the Messiah in the heart of downtown Glens Falls.

Its solid stones and graceful spire will always be an architectural tribute to a religious people. I am proud to represent them.

And it is my pleasure to place in today's RECORD a feature story on the Episcopal Church of the Messiah which recently appeared in my hometown newspaper, the Post-Star:

#### CHURCH OF THE MESSIAH HAD HUMBLE BEGINNINGS (By Tom Calarco)

On Glen Street near the Civil War monument is the beautiful Church of the Messiah. Its 130-foot steeple seems to rise out of the heart of Glens Falls.

But at one time the town had little use for the faith the steeple proclaims, said the church's pastor.

For some reason, which is no longer clear, there was opposition to having an Episcopal church in town, said the Rev. Robert E. Clark, pastor of the Church of Messiah.

As early as 1796, Philander Chase started an Episcopal mission here, which reached up to the Warrensburg area. There he planned to build a church.

But the undertaking failed, and wood procured for the church eventually rotted on the vacant lot.

Missionary services continued, however, and in the 1830s the Rev. Reuben Hubbard came to Glens Falls to establish an Episcopal church. Like Chase, he also failed. Perhaps it took a sterner character to set the church on its course.

The Rev. John Alden Spooner came to Glens Falls from St. Albans, Vt., in 1840. He had been enlisted by families from Glens Falls, and was ordained in the village that year in the "Old White" Church, then the home of the First Presbyterian congregation.

Historian James Molden called Spooner "an eccentric genius." Present-day Church of Messiah historian Betty Gilchrist called him "domineering."

Spooer ministered to Episcopalians in Minerva, Ticonderoga, Warrensburg, Caldwell, Sandy Hill, Fort Edward, Argyle, Kingsbury, Fort Ann, Granville, Moreau, Fortsville and Wilton.

Indications of his character can be gleaned from accounts in a chronicle written in 1899 by Mrs. William Wait. Spooner maintained a "cast-iron" division between the church and other "sects."

"He refused to present for Confirmation a devout candidate who had gone one evening to a 'revival meeting,'" she wrote. And he curtly criticized a hostess at a dinner party for serving meat during Lent.

"The modest plate of cold chipped beef . . . was a sorrow to him to see on the Lenten table of a churchwoman."

The early, difficult days of the church were vividly recalled by Wait. The following describes one 1840 summer service in a cottage:

"A large room was arranged for the small congregation (with) an ordinary table covered with a white cloth serving as altar, around which . . . the communicant knelt . . . So simple were the essentials to our service then! But as I watched the faces of my mother and her friends, my child's heart

accepted the room as a 'holy place,' and I was 'at church.'"

According to A.W. Holden's "History of Queensbury," the church's first services were held in private dwellings or borrowed churches such as "the Old Stone Church" used by the Methodists and later the Catholics. In 1842, a small wooden Episcopal church finally rose at 66 Ridge St.

Of it, Spooner wrote: "It is the first and only Episcopal Church edifice in Warren County; its sittings are free and its font, which is near the church door, is so constructed as to admit of immersing either children or adults."

Wait wrote that it "was never consecrated, and the only resemblance to a church exteriorly was the wooden cross on the peak of the gable."

In addition, instead of pews, it had rough, backless, uncushioned slabs of wood supported by sticks of wood for seats. There was nothing to kneel on but the floor.

By 1850, this early church was in need of constant repair and in any case was no longer large enough. As a result, the congregation often borrowed the buildings of other churches, such as the Universalist Church on Warren Street. In 1853, thanks to the fund-raising efforts of the Ladies Aid Society, land for the present church was purchased. The following year the cornerstone was laid.

The church was not completed, however, until 1866. Work had to be suspended because of insufficient funds. In 1862 the walls went up, in 1864 the roof, and in 1865 the church was consecrated.

But when it opened in 1866, Wait described the Gothic structure as "carpetless, cushionless, bell-less, spire-less, and chancel-less."

These lacks were supplied gradually, and the structural evolution of the church in its 125 year existence is a story in itself.

But it is not merely a recital of additions and decorations. As Clark wrote during the sesquicentennial celebration last year, "the church is not made of brick and mortar but rather the lives and dedication of her people . . . It is well to remember all those living stones who have gone before . . . and I believe this church is filled with their spirits."

Indeed, much of the work that has gone into the church commemorates the lives of its parishioners.

The large American Stencil stained glass window in the church's main vestibule is a memorial to those who lost their lives in the Civil War. It was a gift from the 22nd Regiment, for which the Rev. Henry Bates served as chaplain after he resigned as pastor in 1861.

In the 1870s, during the pastorate of the Rev. Russell Olin, windows were added in the roof and an open-air wooden crown was put atop the tower and a bell added. In 1883, the steeple was erected in memory of Abraham Wing, a grandson of the city's founder, under the sponsorship of his daughters, and the bell tower was enclosed; in 1890 the chancel and altar area were added.

Interestingly, part of the land on which the sanctuary rests actually belongs to the Continental Insurance Co. When the addition was made, there was some uncertainty about the boundaries of the church property. Only later was it discovered that the sanctuary crossed the boundary.

Another memorial is the hand-carved screen that separates the main vestibule from the nave. It was dedicated to Herbert Barker Finch, who died at the age of 16 in 1887. His life savings were used to purchase it.

The pulpit is a memorial to historian Austin W. Holden, and the lectern a memorial to his wife. Holden's "The History of Queensbury" is the definitive history of early Glens Falls. His son, state historian James Holden, was another active member of the church. His wedding was the first held after the completion of the church's chancel and sanctuary in 1890.

Perhaps the most important architectural feature of the church is its stained glass windows. In addition to the Civil War window are representatives of four other schools of stained glass: Tiffany, Victorian, Dresden and Contemporary.

The church features 14 of the latter. All are the work of Smithsonian artist G. Robert Lewis, whose work focuses on color. Two of the most outstanding examples of his work are abstract paintings: a red one depicting Mary Magdalene washing Christ's feet, and a green one depicting Jesus washing the feet of his Apostles.

The church's longest-tenured pastor, and certainly one of its most important, was the Rev. Schuyler Jenkins, who guided the parish from 1951-1974.

Among his activities was participation on the board of the local NAACP, his counseling of troubled youth, and his involvement in finding housing for the poor.

Besides other renovations, Jenkins was also responsible for putting a bell in the tower. The church had been without a bell since 1915, when it had cracked and been donated to be melted down for the war effort.

Gilchrist said no attempt had been made to find another bell because some families living in the area objected to it.

By 1951, those objections no longer existed, and Jenkins decided to replace the long absent bell.

His search took him to a West Glens Falls junkyard, where he found the old bell that now rings for Glens Falls' Episcopal faithful, at the heart of a city of churches.

TRIBUTE TO NATHAN H. MONUS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Nathan H. Monus of my 17th Congressional District of Ohio. Mr. Monus is Youngstown's 1991 recipient of the prestigious Distinguished Citizen Award, given by the Alumni Association of Youngstown State University.

Mr. Monus, formerly financial vice-president of the Tamarkin Co. and vice-president of Giant Eagle and Tamco Distributors, now serves on the boards of Giant Eagle and Phar-Mor. In 1988 he was named the Mahoning Valley Economic Development Corporation Man of the Year in recognition of his fine work and long-standing dedication to the area.

Mr. Monus' humanitarian efforts complement his career as a prominent Youngstown executive. Active in both local and national humanitarian activities, Mr. Monus is currently president of the Joseph L. Morse Geriatric Center of Palm Beach, FL, and a national board member of the Union of American Hebrew Congregations. His extensive community service includes the presidency of the Austintown

Rotary Club, Squaw Creek Country Club, Rodef Sholom Temple, the Youngstown Area Jewish Federation, and Leadership Youngtown. As a member of the board of directors of Goodwill Industries and of the board of overseers of the Hebrew Union College, Jewish Institute of Religion in Cincinnati, Mr. Monus was known for his exceptional personal commitment to the welfare of his fellow Americans.

The Distinguished Citizen Award is reserved for those whose professional achievement and dedication have enhanced the interdependence between the economic and educational institutions of our society. Throughout his life, Mr. Monus has devoted himself to serving his community and his country, and in doing so has improved both the economic and educational quality of this country.

Mr. Speaker, I would like to take this opportunity to congratulate Nathan H. Monus as he receives this prestigious award from the Alumni Association of Youngstown State University in honor of his outstanding contribution to the community. It is truly an honor to represent this distinguished individual.

TRIBUTE TO PROF. BARBARA A. HORWITZ

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Prof. Barbara A. Horwitz, who will be awarded the 1991 University of California, Davis Prize for Teaching and Scholarly Achievement. Barbara A. Horwitz is a full professor of animal physiology at UC Davis, and she will receive \$25,000 in conjunction with the award.

Professor Horwitz holds a bachelor's degree and master's degree in biology from the University of Florida, Gainesville. She earned her doctorate in physiology from Emory University in Atlanta, GA.

Professor Horwitz came to UC Davis in 1966 to pursue her post-doctorate research. In 1972, Professor Horwitz received her faculty appointment.

Mr. Speaker, since coming to UC Davis, Professor Horwitz has received many awards and honors. The respect the faculty at UC Davis has for Professor Horwitz is shown by a citation she received for distinguished teaching given annually by her faculty peers at UC Davis. Also, she has twice chaired the academic personnel committee on campus. Additionally, she reviews papers for a variety of well respected scientific journals which illustrates the regard the science community has for her expertise.

In her research, Professor Horwitz studies the hormonal, neural, and genetic factors that control specific metabolic processes. In a current project, Professor Horwitz and her students are investigating young obese and lean rats in hopes of identifying mechanisms that predispose certain rats to obesity. This work may help to understand the mechanisms that cause obesity.

Professor Horwitz is always available to her students while maintaining a brilliant career as a researcher. In a time when class size is increasing, Professor Horwitz still encourages the individual student. She is praised in her ability to bring complex material, frequently her current research, to the students in a clear and understanding way and to encourage them to examine it critically.

Over the last 20 years, almost 6,000 undergraduates have passed through Dr. Horwitz' cell physiology class, and for each student, she tries to make the course as new and fresh as possible. She spends four hours preparing for each lecture, refining and updating the material to incorporate new discoveries in the fast-changing world of cell physiology. Professor Horwitz has been found saying the lecture aloud in her office before presenting it to her class. She also encourages the students to tackle research projects themselves when they have questions no one has the answer for yet.

Mr. Speaker, in a time when we hear about the problems in education, Professor Horwitz epitomizes what a university professor ought to be. I am sure that my colleagues today will join in giving their sincere appreciation to Prof. Barbara A. Horwitz and their congratulations on her most recent award. In addition, I would like to send my personal best wishes to Professor Horwitz in her current endeavors and in the years to come.

FARM ANIMAL AND RESEARCH FACILITIES PROTECTION ACT OF 1991

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. STENHOLM. Mr. Speaker, I am pleased to join many of my colleagues, including the distinguished chairman of the House Committee on Agriculture, Congressman E (KIKI) DE LA GARZA, and the committee's ranking minority member, Congressman TOM COLEMAN, in introducing the Farm Animal and Research Facilities Protection Act of 1991.

In the 101st Congress, 235 of our colleagues cosponsored this legislation, which was reported out of the Agriculture Committee but did not receive floor consideration in the waning days of the Congress. This bill is designed to prevent, deter, and penalize crimes and illegal acts of terrorism against U.S. farmers, ranchers, food processors, and agricultural and biomedical researchers. In addition, the legislation provides for a civil right of action by the owners of the farm or animal facility against the violator.

Regrettably, it is apparent that current laws are not discouraging acts of violence against meat processors, livestock auctions, biomedical researchers, farmers and ranchers, and others who handle the animals. More than 100 such acts have occurred in the last 10 years against farmers and researchers, acts that seem to be escalating both in number each year and in their level of violence.

A recent report by the Institute of Medicine of the National Academy of Sciences [NAS], "Science, Medicine, and Animals," highlights

the destructive nature of these terrorist acts against research facilities and the dire consequences for medical breakthroughs. It quotes a report by the American Medical Association:

Records representing years of work have been threatened . . . The scientific community can find no moral justification for these acts . . . Vandalism and harassment have slowed medical research that is dedicated to improving human well-being . . . denying hope to those with presently incurable diseases.

I am personally aware of a tragic incident at Texas Tech University, my alma mater, and have learned of another recent terrorist act at the University of Arizona.

Criminal terrorist activities will continue unless the full power of the legal system is used. Apparently, nothing short of discontinuing biomedical research or eliminating livestock and poultry production will satisfy the agenda of the most radical animal rights groups. Those who choose to disrupt lawful agricultural and scientific research activities through violent means should face legal sanctions that are commensurate with their actions. The true victims of the illegal acts of terrorism are not only agricultural and biomedical research institutions and food animal producers, but all members of society. The ultimate cost is levied against those who enjoy an abundant nutritious food supply or wait for better treatments or preventive measures for disease and disability—those whose very lives may be at stake.

Farmers and ranchers, livestock auctions, meat processors, and others in food animal production are the newest targets of this criminal activity, and are perhaps the most vulnerable. Most cannot afford sophisticated or even rudimentary security systems and personnel. Indeed, they should not have to spend hard-earned dollars on such protections. Yet, incidents of arson, animal theft, vandalism, and threats have occurred in several States in recent years, including California, Pennsylvania, Delaware, and Arizona.

Farmers and ranchers do not—indeed cannot—tolerate abuse or less than humane treatment of their animals. These animals at the very least represent the farm family's livelihood. To mistreat livestock and poultry is for the farmer to mistreat himself and his family. These attacks on livestock also ignore the farmer's and rancher's affection for his animals, perhaps the driving reason folks get into the business to begin with.

America enjoys the most abundant, nutritious food supply in the world, at a fraction of the cost to others who desire the same quality meat, milk, and eggs. This success is the result of the farmer's and rancher's concern for and experience with animals coupled with dedication and utilization of the best agricultural research in the world to ensure quality animal care.

In the case of biomedical research, the recent NAS report makes clear that we owe our good health, in large part, to animal research. The report states:

Virtually every advance in medical science in the 20th century, from antibiotics and vaccines to antidepressant drugs and organ transplants, has been achieved either di-

rectly or indirectly through the use of animals in laboratory experiments.

Are there alternatives to the use of animals in research? In many cases, the answer is yes, and these alternatives are being pursued. Cell cultures have been developed over the years so that they are used in tens of thousands of research laboratories throughout the world for diagnostic and experimental purposes and for manufacturing useful vaccines and medicines.

Computer modeling also has been suggested as a substitute for animal research. This approach is appropriate for some studies. But to expect such modeling to completely replace studies that must reflect the complexity of living animals is to sadly overestimate the state of current biomedical or computer knowledge. We simply do not know enough about all the variables that would have to be entered into the computer in order to obtain meaningful answers. Only the responses of living animals can teach us whether we are on the right track of producing the series of complex processes necessary for attaining immunity, and are on the road to accomplishing this feat without harm to vaccinated children.

Whether on the farm or in the laboratory, we should not condone cruelty to animals. Scientific researchers should always be dedicated to finding ways to relieve suffering and preserve life. Regulations to ensure the humane treatment of laboratory animals should certainly be strictly enforced. Responsible scientists observe humane guidelines, not only because their search for new medical knowledge is motivated by compassion for the suffering, but because they know that improper treatment adversely affects the quality of their research. Scientists should also use sentient models when these are suitable. Few scientists would incur the substantial expense and devote the considerable space required for housing and caring for animals when other equally satisfactory models are available.

A 1988 poll found that the majority of U.S. citizens believe that animal research is necessary. Nevertheless, the minority of animal welfare advocates have had a profound impact on biomedical research. A 1986 study done by the Office of Technology Assessment—"Alternatives to Animal Use in Research, Testing, and Education"—concluded, however, that some biological research requires—and in the foreseeable future will continue to require—the use of live animals if the study of the complex interaction of the cells, tissues, and organs that make up an organism is to continue. The recent report of the National Academy of Sciences reiterates its 1988 report, "Use of Laboratory Animals in Biomedical and Behavioral Research," when it states, " . . . it would be immoral and selfish not to use animals in research today, given the harm that could accrue to future generations if such research were halted."

There are over 25 national, 7 regional, and nearly 200 State agricultural organizations who support this bill. I hope all my colleagues recognize the seriousness of this issue and support this needed legislation. I would urge them to heed the recent admonition of the National Academy of Sciences:

As we decide on the future of animal research, we should keep in mind the future

generations who will look back at us and ask if we acted wisely.

Mr. Speaker, in concluding my remarks, I insert the text of the Farm Animal and Research Facilities Act of 1991 in the RECORD:

H.R. —

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AMENDMENTS TO THE FOOD SECURITY ACT OF 1985.**

Title XIV of the Food Security Act of 1985 is amended by adding the following new subtitle:

**"SUBTITLE D—PROTECTION OF FARM ANIMAL AND RESEARCH FACILITIES**

**"SEC. 1481. SHORT TITLE.**

"This subtitle may be cited as the 'Farm Animal and Research Facilities Protection Act of 1991'.

**"SEC. 1482. FINDINGS.**

"Congress finds that—

"(1) there have been an increasing number of illegal acts committed against farm animal, research, and educational facilities;

"(2) these illegal acts threaten the production of agricultural products and damage the public interest by jeopardizing scientific, biomedical, or agricultural research;

"(3) these illegal acts interfere with the property rights of the owners of the facilities;

"(4) Federal protection of farm animal, research, and educational facilities is necessary to prevent and eliminate burdens on commerce;

"(5) regulation is necessary to protect the welfare of animals and productive use of Federal research funds and to prevent unauthorized possession, alteration, destruction, or transportation of research records, test data, research materials, equipment, research animals, or any combination thereof.

**"SEC. 1483. DEFINITIONS.**

"As used in this subtitle—

"(1) The term 'animal' means warm or cold-blooded animals used for food, fiber production, agriculture, research, education, testing, or exhibition, and includes poultry, fish, and invertebrates.

"(2) The term 'animal facility' includes any vehicle, building, structure, research facility, or premises where an animal is kept, handled, housed, exhibited, bred, or offered for sale.

"(3) The term 'person' means any individual, corporation, association, joint stock company, firm, trust, partnership, two or more persons having a joint or common interest, or other legal entity.

"(4) The term 'Secretary' means the Secretary of Agriculture.

"(5) The term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the American Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.

**"SEC. 1484. PROHIBITED ACTS.**

"(a) IN GENERAL.—Whoever travels in interstate or foreign commerce or uses or causes to be used any facility of interstate or foreign commerce, including the mail, telephone, radio, or television, for the purpose of committing the acts specified in subsection (b) and commits or attempts to commit such acts shall be punished in accordance with section 1485.

"(b) SPECIFIED ACTS.—The acts specified in this subsection are the following:

"(1) to steal or cause the unauthorized release or intentional loss of any animal from an animal facility;

"(2) to vandalize, steal, or intentionally damage any property in or on an animal facility;

"(3) to break and enter any animal facility with the intent to destroy, alter, duplicate, or obtain the unauthorized possession of records, data, materials, equipment, or animals;

"(4) to receive, conceal, or retain any material, equipment, or animals of any animal facility, with knowledge that they have been stolen or converted; or

"(5) to enter, obtain unauthorized access to, obtain access under false pretenses to, or remain on, an animal facility with intent to commit an act specified in paragraphs (1) through (4).

**"SEC. 1485. PENALTIES.**

"(a) IN GENERAL.—Any person who is judged guilty of an offense under section 1484 shall be imprisoned for not more than one year, fined in accordance with title 18, section 3571 of the United States Code, or both, for each such offense.

"(b) WILLFUL OFFENSE.—Any person who is judged guilty of a willful offense under section 1484 that causes harm to person or property shall be imprisoned for not more than 10 years, fined in accordance with title 18, section 3571 of the United States Code, or both, for each such violation.

"(c) LIFE ENDANGERING OFFENSES.—Any person who is judged guilty of an offense under section 1484, whereby the life of any person is placed in jeopardy, shall be imprisoned for not more than 20 years, fined in accordance with title 18, section 3571 of the United States Code, or both, for each such violation.

**"SEC. 1486. REPORTING OF VIOLATIONS BY THE SECRETARY.**

"For purposes of enforcing the provisions of this subtitle, the Secretary—

"(1) may report any offense under this subtitle to any appropriate law enforcement agency of the United States;

"(2) may forward a reported offense under this subtitle to any law enforcement agency of the United States; and

"(3) shall provide, to the extent practicable, any assistance requested by a law enforcement agency of the United States or any State or local government in connection with an investigation of an offense under this subtitle.

**"SEC. 1487. STUDY OF EFFECT OF TERRORISM ON CERTAIN ANIMAL FACILITIES.**

"(a) STUDY.—The Secretary and the Attorney General of the United States shall jointly conduct a study on the extent and effects of domestic and international terrorism on animal research, production, and processing facilities and all other facilities in which animals are used for research, food production, or exhibition.

"(b) SUBMISSION OF STUDY.—Not later than 1 year after the date of enactment of this subtitle, the Secretary and Attorney General shall submit a report that describes the results of the study conducted under subsection (a) together with any appropriate recommendations and legislation to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

**"SEC. 1488. COURT JURISDICTION.**

"The district courts of the United States, the District Court of Guam, the District Court of the Virgin Islands, and the United States courts of other territories and insular possessions shall have jurisdiction—

"(1) specifically to enforce, and to prevent and restrain a person from violating, this subtitle; and

"(2) over any other kinds of cases arising under this subtitle.

**"SEC. 1489. PRIVATE RIGHT OF ACTION.**

"(a) IN GENERAL.—Any person who has been directly damaged by reason of a violation of this subtitle may recover reasonable actual damages, and consequential damages resulting from loss of research or food production, together with court costs, including reasonable attorney's fees, from the person causing such damage.

"(b) AMOUNT IN CONTROVERSY.—To be entitled to bring suit under this section, the amount in controversy must exceed \$10,000.

"(c) CONSTRUCTION.—Nothing in this subtitle shall be construed to affect any other rights of a person who has been damaged by reason of a violation of this subtitle. Subsection (a) shall not be construed to limit the exercise of any such rights arising out of or relating to a violation of section 1484.

**"SEC. 1490. EFFECT ON STATE LAWS.**

"Nothing in this subtitle shall be construed or interpreted to affect or preempt any Federal or State law or regulation."

**SEC. 2. AMENDMENTS TO THE TABLE OF CONTENTS.**

The table of contents in section 2 of the Food Security Act of 1985 (7 U.S.C. 1281 note) is amended by adding after "Sec. 1471. Effective Date." the following:

**"SUBTITLE D—PROTECTION OF FARM ANIMAL AND RESEARCH FACILITIES**

- "Sec. 1483. Definitions.
- "Sec. 1484. Prohibited acts.
- "Sec. 1485. Penalties.
- "Sec. 1486. Reporting of violations by the Secretary.
- "Sec. 1487. Study of effect of terrorism on certain animal facilities.
- "Sec. 1488. Court jurisdiction.
- "Sec. 1489. Private right of action.
- "Sec. 1490. Effect on State laws."

**CLASSIC WORKS OF THE AMERICAN ORCHESTRAL TRADITION**

**HON. ROBERT H. MICHEL**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. MICHEL. Mr. Speaker, on Friday, May 17 and Saturday, May 18, 1991, a cultural event of historic significance took place in the Carmichael Auditorium of the Smithsonian Institution in Washington, DC. The Smithsonian's Jazz Masterworks Orchestra, composed of superbly gifted musicians, made its debut before audiences of—to quote the New York Times—"intellectuals, record collectors, children and their parents, academics, nostalgics, and tourists from Omaha."

This diverse audience was treated to brilliant performances of "classic works of the American orchestral tradition," from Duke Ellington and Count Basie to Jimmy Lunceford and Benny Goodman. These concerts were the first of a scheduled 16 free concerts to be given through August.

Under the leadership of John Edward Hasse, curator of American Music at the Smithsonian, this program combines scholarship—the orchestra's coleaders are world-renowned musicologist Gunther Schuller and

Prof. David Baker, the head of the jazz department of Indiana University's prestigious School of Music—and art—each member of the orchestra is a jazz master in his own right.

Later concerts in the series will concentrate on individual orchestras. It is my hope that many of the thousands of Americans who come to Washington every summer will get the chance to hear some of America's—and the world's—great music.

At this time I wish to insert in the RECORD, "The Smithsonian's Jazz Orchestra Makes Its Debut in Washington," by Peter Watrous, in the New York Times, Monday, May 20, 1991:

**THE SMITHSONIAN'S JAZZ ORCHESTRA MAKES ITS DEBUT IN WASHINGTON**

(By Peter Watrous)

WASHINGTON.—Intellectuals, record collectors, children and their parents, jazz fans, academics, nostalgics and tourists from Omaha flocked to the Smithsonian's Jazz Masterworks Orchestra opening night performance at a packed Carmichael Auditorium tonight. After the often-brilliant show, which consisted of works by Duke Ellington, Count Basie, Fletcher Henderson and more, audience members bunched around the conductors and musicians, thanking them. It was as if water had suddenly been delivered to the desert.

"This was a great start," said John Hasse, the orchestra's executive director and curator of American music at the National Museum of American History. "There's obviously a constituency out there."

The orchestra, which will be performing a series of 16 free concerts through August, is part of several trends. The first is the growing interest in the repertory movement in jazz; New York, for example, already has two permanent orchestras, the American Jazz Orchestra at Cooper Union and Lincoln Center's Classical Jazz Orchestra.

The second is the Smithsonian's—and by extension the United States Government's—increased interest in supporting jazz. In 1987 the Government, spurred on by Congress, gave money for the Smithsonian to take over Duke Ellington's archives. This year it gave the Smithsonian \$242,000 to fund an orchestra dedicated to performing the classic works of the American orchestral tradition. "This is extraordinarily important," said one of the orchestra's conductors, Gunther Schuller. "As far as I know, this sort of direct governmental support is unprecedented in our history. It's a cultural watershed."

**THE MUSICAL RESULTS**

The result was more than culturally important, it was fairly spectacular musically as well. The orchestra, made up of New York jazz veterans and others, captured Duke Ellington's elegant stillness on "Azure" and Count Basie's line-drive swing on "Doggin' Around" and Fletcher Henderson's ornate and burbling reed writing on "Down South Camp Meeting." Conducted by Mr. Schuller and David Baker, the orchestra used a lightness that made Ellington's writing airy and translucent, and the rhythm section, powered by Victor Lewis's idiomatically careful and hard-swinging drumming, moved the orchestra forward faultlessly. The music, after being embalmed on recordings, suddenly came alive.

"You can take Ellington," said the tenor saxophonist Loren Schoenberg, who happens to run his own orchestra and manage the American Jazz Orchestra, "and play him in the three different orchestras and each will have a different sound. It's a tribute to the

original writing. But it's also a tribute to the musicians involved. Orchestras take on the characteristics of their leaders, and in David Baker and Gunther Schuller we have people who really know what they're doing. It ends up being exhilarating."

But for the last five years, during which the repertory movement has blossomed, there's been a minor chorus of criticism. Critics have complained that the institutionalization of the orchestras will result in the decline of jazz's progressive elements. For Steve Wilson, at 30 years old the youngest member of the orchestra and a saxophonist known for collaborating with the modernist fringe of the young jazz renaissance, it isn't so. "This is great—and that's an understatement," he said. "It's essential to the grandeur of this music to hear it live. Playing this is humbling. It's as difficult as anything I've ever had to do. The textures and rhythms and ideas of this music haven't really been dealt with yet on an esthetic level. We should go forward, but we can't without knowing where we've been. This is invaluable to my playing."

Tonight's show was casual, without too much fanfare, only an appreciation of the orchestra's cultural importance. For Mr. Hasse the orchestra has a populist mission. "I'm firmly dedicated to free concerts, so anybody who wants can come," he said. "It makes the whole process of disseminating cultural information less difficult, if less glamorous. By the mid-to-late 90's I'd like to see the orchestra offer a year-round season of 40 or so concerts. And in my wildest dreams, daily concerts. I'd like to see the orchestra bring its music to the public, through concerts, national tours, recordings and radio broadcasts and video."

For the pianist James Williams, a mainstay on the New York club scene, the orchestra has good potential not just musically, but socially as well. "I've never done anything like this before," he said. "I hope we captured the spirit of the music and the times it represents. But I want more of the inner city's population to show up, to make it a community experience, and not only the people who remember it, either. That's really why I'm here, because I want to make sure kids come to see it with the same sort of interest they might go to see a basketball team or the circus. This music isn't just for an upscale crowd, we want everybody to be interested."

#### NEW THINKING FOR ISRAELI-PALESTINIAN PEACE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. DYMALLY. Mr. Speaker, Secretary of State James Baker deserves the continued bipartisan support of Congress for his efforts to implement the peace process that was articulated by President George Bush when he addressed Congress this past March 6, 1991. That peace process rested on the concept that there was a twin test for peace which rested on a balanced concern for both Palestinian and Israeli rights.

The sense of hope that followed the cessation of the gulf conflict is rapidly evaporating as Secretary Baker faces the same kinds of procedural barriers which blocked the way of

his predecessors who attempted to bring Palestinians, Israelis, and Arabs to the negotiating table. There is, however, a promising idea circulating which offers a completely new, plausible, and intriguing approach to peace between Israelis and Palestinians entitled the Strategic Peace Incentive Package [SPIP] published by a coalition of organizations on United States-Arab relations, and written by Dr. James J. Zogby, Executive Director of the Arab American Institute.

The proposal addresses the two issues which have historically derailed any peace process: Israel's need for security, and the recognition and implementation of Palestinian rights. The package replaces slogans—Statehood Now, International Conference, Strategic Ally—and replaces them with a step by step process which offers a vision beyond war which ensures a lasting role for all the Arab States, the United Nations, and the United States. It provides economic incentives which can lead to economic development strategies promoting open markets, economic empowerment and regional prosperity. The package is broader than the simple peace process and calls on all the parties to work together for regional security and stability.

I urge you to read the following proposal and comment on it, and to know that peace in the Middle East is possible.

#### NEW THINKING FOR ISRAELI-PALESTINIAN PEACE

(Principal author: James J. Zogby, executive director, Arab American Institute)

In his March 6 address to a joint session of Congress, President George Bush articulated unequivocally the basic principles that underlie a settlement of the Israel-Palestine conflict. He noted that:

"A comprehensive peace must be grounded in United Nations Security Council Resolutions 242 and 338 and the principle of territory for peace. This principle must be elaborated to provide for Israel's security and recognition, and at the same time for legitimate Palestinian political rights. Anything else would fail the twin tests of fairness and security. The time has come to put an end to Arab-Israeli conflict."

This assertion that there is a "twin test" for peace was the first such display by an American President of a balanced concern for both Palestinian and Israeli rights. This balance, when taken together with the strong U.S. display of commitment to Israel's security during the Gulf war and the President's overwhelming domestic popularity and recognized world leadership, create hope for renewed U.S. efforts to press for a comprehensive Middle East peace.

As the President noted, the principles inherent in U.N. Security Council Resolutions 242 and 338 must be elaborated. What follows is an effort at such an elaboration.

#### ISRAELI SECURITY/PALESTINIAN RIGHTS: KEYS TO MIDDLE EAST PEACE

A resolution of the Israeli-Palestinian conflict must address its two crucial issues:

- Israel's need for security;
- Recognition and implementation of Palestinian rights.

#### Israeli Security

Israel's need for security is fundamental concern both within Israel and for U.S. policy makers. Any effort to resolve the Israeli-Palestinian dispute must therefore begin by realistically addressing this issue.

Israel views its security in constant danger primarily due to the refusal of the Arab states to end the state of belligerency against Israel and grant formal recognition, thereby continuing Israel's isolation in the Middle East and the escalating arms build-up in the region.

For their part, the Arab states point to Israel's failure to define its borders and implement U.N. resolutions dating from 1948, and express their own fear of Israel's hostile intentions and actions. If there is to be a comprehensive Middle East peace, these security issues must be addressed.

It is important to recognize at the outset of this discussion that the Gulf war has affected Israel's security in several ways:

As a result both of diminished East-West tensions and of the fact that the international coalition that was formed to confront Iraq's aggression against Kuwait did not and could not include Israel, Israel's projected role (as the "strategic asset of the United States in the Middle East") has been diminished.

U.S. Undersecretary of Defense Paul Wolfowitz stated in a briefing to Arab Americans on September 24, 1990 that the demonstrated U.S. and U.N. commitment to the defense and security of Saudi Arabia and Kuwait was the best assurance that could be given to Israel to encourage it to implement U.N. Security Council Resolution 242 with the confidence that its security would be protected and similarly guaranteed.

It may be one of the ironies of the Gulf war that Iraq's unprovoked missile attacks on Israel's civilian centers produced an effect opposite to that sought by the Iraqi leadership. Israel's demonstrated restraint won respect from the allies and the rapid U.S. deployment of Patriot defense systems helped to reduce Israel's vulnerability to further attacks. As a result, two important new facts were established. While Israel's leadership chafed at the restraints imposed upon them, preferring to project "self-reliance," Israeli public opinion appreciated the strong and immediate U.S. response. A recent Israeli poll shows Israelis feel more secure, believing that the United States is firmly committed to defending Israel's security.

In addition, these recent events weaken the traditional "strategic depth" argument for Israel retaining the West Bank. As President Bush noted in his March 6 address, "in the modern age, geography cannot guarantee security and security does not come from military power alone." As the recent Gulf crisis has demonstrated, security can be better achieved through international guarantees, regional cooperation, adequate defense capability, and arms control.

Economic stability is another critical component of security. Israel, it is estimated, has lost almost \$3 billion since August 1990. These losses are a result of increased costs of military preparedness and decreased revenues due to the war's effect on tourism and other disruptions in the economy due to either the intifada or the Israeli military curfew over the Occupied Territories for the duration of the war.

Israel is currently facing additional extraordinary economic and social pressures resulting from the influx of Soviet Jews. In addition to the \$400 million in housing-loan guarantees recently committed by the United States, Israel is now seeking an additional \$13 billion in grants and guaranteed loans to deal with the economic pressures created by this new wave of immigration.

Israel's economic isolation in the Middle East has had a severe effect on the state's se-

curity and viability. A function of the continued state of war, the Arab boycott has forced Israel to be over-dependent on relations with the West and the world Jewish community. As Israel's needs have increased, so too has its dependence.

The current Israeli government is not only its most hard-line, it is also its most dependent on U.S. economic, political, and military assistance. While the U.S. Congress has not begrudged such assistance in the past, the levels required in the post-war period are of such magnitude and the purposes for which they are to be used (i.e., the settlement of hundreds of thousands of Soviet immigrants) are of such consequence that there will be constraints on the U.S. ability to meet those needs.

Thus, any peace plan intended to resolve the Israeli-Palestinian dispute must address these basic Israeli security concerns:

International guarantees, regional cooperation and acceptance, arms control and, economic integration into the region.

#### *Palestinian National Rights*

The intifada has had a profound and lasting impact on Palestinian nationalism and self-assertiveness and on the Israeli-Palestinian relationship. It has produced a physical, economic, and psychological separation of the two peoples and reestablished the reality of the "Green Line" demarcating Israel from the occupied Palestinian lands.

This separation did not diminish during the Gulf crisis. The Palestinian response to Saddam Hussein's exploitation of their national struggle is significant to note here. It was a response symptomatic of their deep desire for national liberation, their feeling of having been victimized, betrayed, or ignored by the West, and their deep sense of despair at the failure of their leadership, its moderation, and rational political processes to produce tangible change in their living conditions under a brutal occupation.

In his September 4, 1990 testimony to the House Committee on Foreign Affairs, Secretary of State James Baker noted both Saddam Hussein's exploitation of the Palestinian issue and the need for the United States to address this question when he stated:

\*\*\* one of the most telling arguments that Saddam Hussein makes is that he is the champion of the downtrodden Arab. He is the champion of the Palestinians who have no place to go and who are sorely put-upon, and that is why I think.

\*\*\* it is important that we keep our eye as well on the ball of moving \*\*\* toward some resolution of that problem, because the ground will not be as fertile as it is today.

Far from discrediting Palestinian national claims or rendering them obsolete, as some have claimed, this Palestinian response during the war, born of alienation and despair, only points to the urgency of a solution. Twenty-four years of occupation and systematic denial of their basic rights have not reduced Palestinian aspirations; rather, they have enflamed them.

The post-war Middle East will not find Palestinians, or most other Arabs for that matter, more accepting of Israel's occupation or less demanding of Palestinian national rights. As General Norman Schwarzkopf noted in a February 25 interview with the *Los Angeles Times*, "The most important factor to stability and peace in the Middle East is the resolution of the Palestinian question. \*\*\* this is the major impediment to peace."

While the crisis has caused an erosion of support for the PLO and, to some extent, for Palestinian rights in some Arab capitals, such is not the case in all Arab countries or

even among all levels of Arab public opinion. To most Arabs the Palestine issue remains a central and powerful emotional symbol of the failure of the West to deal fairly with the Arab World. As long as Israel occupies the West Bank and Gaza Strip (as well as Syrian and Lebanese lands) and denies Palestinian rights, relations between Israel and the Arab states cannot be normalized.

The challenge for the United States in the post-war search for a resolution to the Israeli-Palestinian dispute will be to produce the same recognition of Palestinian rights and the same commitment to Palestinian security as that provided to Israel.

#### CRITIQUE OF PREVIOUS APPROACHES

Since the mid-1970s two approaches have been proposed for a resolution of the Israeli-Palestinian problem.

The convening of an international peace conference, a concept endorsed by the Europeans, the Soviets, and most Arab states;

The U.S.-led "peace process."

Both efforts have failed, albeit for what appear on the surface to be radically different reasons.

The international peace conference has not succeeded because Israel refuses to participate—or accept the premise of such a conference—and the United States refuses to take steps designed to "deliver" Israel to such a parley. The United States has argued, with some merit, that there would be no U.S. Congressional support for applying pressure on Israel if it refused to participate, nor would there be any guarantee that pressure could produce the desired effect of forcing Israel's internal political process to accept participation in such a meeting, in which Israel would stand virtually isolated, thereby less secure.

Such an international conference can only be convened if it is accepted by all parties to the conflict, if there is agreement on fundamentals, and if the conference is designed to implement and guarantee a solution. In the absence of such prior agreement on fundamentals or goals, the international conference is a non-starter.

The U.S.-led "peace process" has similarly failed to produce any real movement toward a settlement. Since Camp David, the "peace process" has supposedly faltered over the inability to find Palestinian participants to "negotiate" with Israel. These Palestinian "interlocutors," as they were termed, were to have filled a difficult bill. They were to be non-PLO in order to be acceptable to Israel, and yet they were to be sufficiently nationalistic so as to be acceptable to the Palestinian community both inside and outside the Occupied Territories.

The failure of this effort was due to several factors, one of which has been the refusal by Israel to commit in principle to the "land for peace" formula, i.e., an explicit commitment to withdraw from the Occupied Territories. Another factor has been the inability of the United States to define or commit itself to support an attractive enough end (i.e., Palestinian statehood or self-determination) to encourage the PLO to sanction Palestinians from within the Occupied Territories to participate. Therein lies the dilemma.

Palestinians have refused to participate in talks in which their rights are not recognized. Palestinians have framed the issue thus: "negotiations are for the purpose of implementing and securing mutually recognized rights; they are not for the purpose of determining whether or not one has rights." As a result, the Palestinian leadership within the territories has deferred to the PLO which, in addition to its organizational role,

is the symbol of Palestinian national rights, and this has been unacceptable to Israel.

Even after the PLO agreement in December 1988 to accept U.N. Security Council Resolution 242, to recognize Israel's existence, and to renounce the use of violence against civilians, Israel still refused to reciprocate and to accept the PLO as a participant in the "peace process." In a telling comment, Avi Pazner, a senior aide to Prime Minister Yitzhak Shamir, made clear the reason for Israel's rejection of the PLO. The *New York Times* (August 13, 1989) quoted Pazner as saying, "[W]e don't talk to the PLO because their basic political demands are unacceptable to us . . . the fact that they are terrorists is not the issue at all."

In an effort to circumvent Israel's objections, Secretary of State Baker launched a complex process to start Israeli-Palestinian talks. The process was to begin with a Palestinian delegation (sanctioned by the PLO, approved by Israel!) meeting with an Israeli delegation to plan elections in the West Bank and Gaza Strip. These elections were to choose a Palestinian authority for the territories which would, in the end, negotiate an interim arrangement with Israel.

While the PLO gave its approval, Israel refused to accept this process, fearing it would lead to a loss of Israeli sovereignty over the Occupied Territories.<sup>1</sup> Two comments by Prime Minister Shamir early in the process illustrate this Israeli fear:

If the elected representatives try to stray from the course which will be allowed for them, and will try to end with other subjects like trying to establish a Palestinian state, Israel will prevent them, even though they have been elected. (*New York Times*, April 24, 1989)

And if the elected Palestinians will not abide by the rules of the game, we will cancel everything and return to the previous situation. (*Yeduit Agaronot* April 21, 1989)

Labor Defense Minister Yitzhak Rabin added, "We will send to prison any elected Palestinian who declares loyalty or affiliation to the PLO." (*Ha'aretz*, April 21, 1989).

Because the United States was unable to press the Israelis to be more forthcoming or to accept negotiations with the Palestinians, the "peace process" foundered.

Prospects for the success of a similar "process" in the post-war Middle East are no better than they were in the earlier period. While it may be true that the PLO has hurt its international standing by its support of Saddam Hussein, the deficiency in the U.S. approach to the "peace process" has not been in *who* is to do the negotiating but in *what* was to be negotiated.

In seeking a solution to the Israeli-Palestinian conflict, two facts emerge as central to the discussion:

Palestinians inside the Occupied Territories, and the PLO itself, will not oppose any process which is designed to end the Israeli occupation of the West Bank and Gaza Strip and put the Palestinian community on the path to fulfillment of their national rights.

Israel will require more, in the way of international and regional commitments and security guarantees before it can develop a national consensus to withdraw from the territories.

<sup>1</sup>In *A Peace Initiative by the Government of Israel*, under the heading "Basic Premises," Section D reads: The initiative is founded upon the assumption . . . [that] there will be no change in the status of Judea, Samaria and Gaza other than in accordance with the basic guidelines of the government.

## TOWARD A SOLUTION

If it can be determined in advance what guarantees Palestinians and Israelis each need in order to make peace, then leadership is required to put forward a comprehensive plan incorporating the concerns of each party.

Rather than await a negotiating process, which in all probability will not occur given the profound psychological and ideological barriers separating the two parties, it would be more useful to elaborate the President's principles into a vision of a peace process spelling out both the stages of implementation and the ends, and presenting such a package to Israel and the Palestinians for their acceptance.

This plan, termed the Strategic Peace Incentive Package (SPIP), would accept the maximum concerns of each community. To the Israelis, it would offer specific and detailed commitments of international security guarantees, economic cooperation, defense assistance, normalization of relations with the Arab states, and funds for economic development. All would be conditioned, however, on Israel's commitment to withdrawal from the occupied West Bank and Gaza Strip. To the Palestinians, the SPIP would offer, similarly, commitments of independence with international security guarantees, the ability to reunite and reconstruct their national community, economic development assistance, and recognition of their statehood. But they would first have to agree to a phased plan of implementation leading to final-status negotiations with the Israelis.

The initial proposal of such a SPIP could be presented by the United States, the Arab states, or the U.N. Security Council. To be credible, however, it should receive the endorsement of all three before being offered to Israel and the Palestinians.

Offering such a package to both Palestinians and Israelis would be an important new approach to the search for a Middle East peace. It is new precisely because it:

Commits the United States, the Arab states, and the U.N. Security Council to the specific requirements of a lasting peace;

Offers Israelis and Palestinians a vision of a Middle East beyond war with incentives attractive enough to draw them into a meaningful peace process of clearly identified steps of implementation; and

Replaces failed efforts at Israeli-Palestinian dialogue with an internal Israeli dialogue and an internal Palestinian dialogue, as each party strives to accept the package and commit itself to peace.

THE STRATEGIC PEACE INCENTIVE PACKAGE  
(SPIP)

The United States and the Arab states (specifically the Gulf Cooperation Council states plus Egypt and Syria) could frame the SPIP. It should be introduced and endorsed by the U.N. Security Council so as to provide international guarantees.

Components of the SPIP would include:

Creation of a Peace Incentive Fund (PIF). The fund would collect sufficient revenues (in the range of \$15 billion to \$20 billion) from the United States, European Community, Japan, and the Arab states willing to participate. The fund would be available in equal amounts to Israel and the Palestinians at specific steps of the SPIP for economic development, resettlement of Jews and Palestinians in their respective lands, and private-sector initiatives to enhance regional economic cooperation.

Advance commitment of the Arab states to a timetable of specific steps leading to normalized relations with the State of Israel.

Commitment of U.N.-endorsed security guarantees for Israel and the Palestinians, and creation of peace-keeping forces meeting the specific security requirements of each community. Israel may require additional specific U.S. guarantees and involvement. But the engagement and endorsement of the Security Council is important since the SPIP's international legitimacy is based on its being an elaboration of U.N. Security Council Resolution 242.

When the package of commitments has been completed and has been endorsed by the U.N. Security Council, the SPIP would then be offered to Israel and the Palestinians. To secure the commitment of each party, the Security Council would require formal acceptance by the Israeli government and the representative parliament-in-exile of the Palestinians, the Palestine National Council, which is the legislative branch of the Palestine Liberation Organization (PLO).

Should Israel accept the SPIP and agree to withdraw from the Occupied Territories and agree to immediately cease all settlement construction and settler population expansion, the Arab states would simultaneously agree to end the state of belligerency with Israel.

Should Israel reject the plan, the United States should support a U.N. Security Council effort to dispatch monitors the West Bank and Gaza Strip to report on the human-rights situation in the Occupied Territories and to provide protection to the Palestinian population under military rule.

The steps of implementation of the SPIP are as follows:

## Step A

Simultaneous with Israeli withdrawal, the Arab states participating in the SPIP will announce acceptance of Israel's permanence and legitimacy as a state in the Middle East. There will be a U.S.-led, U.N.-endorsed effort to provide enhanced security guarantees both for Israel and for the Palestinians in the territories which Israel will evacuate. Since the status of Israel's settlements in the territories will be left to a later stage in the process, the presence of U.N. security forces will be important not only to assist a Palestinian police force in the maintenance of public order but also to protect Israeli settlers who will remain in the territories pending final-status negotiations and to protect Palestinians from militant armed settlers.

## Step B

Following the evacuation of Israeli forces and suspension of settlement construction and population expansion, the U.N. security force charged with assisting in the maintenance of public order will be complemented by a political team dispatched by the U.N. Secretariat which will establish a timetable and process for free elections for Palestinians in the West Bank and Gaza Strip. In addition to covering municipal affairs, the elections, to be completed within six months, will also be for a national representative assembly. Once elected, this assembly will constitute the Palestinian interim government which will:

Organize national and local police forces to work with the U.N. security force;

Be responsible for all areas of administration and enforcement; and

Refrain from taking unilateral steps to alter matters to be resolved in final-status negotiations with the government of Israel, including the status of Jewish settlements and final borders.<sup>2</sup>

<sup>2</sup>The Palestinians of East Jerusalem are residents of the West Bank. Because of Israeli government

At the end of six months the Arab states will announce the end of the economic embargo against Israel.

## Step C

At the end of one year the Arab states and Israel, under the auspices of the U.N. Security Council, will begin negotiations on regional issues such as water and arms control.

At the same time, Israel will gain access to the Peace Incentive Fund enabling it to draw on specified amounts for settlement of Soviet Jews and economic development programs.

The Palestinians interim government will also, at this time, gain access to specified amounts of the PIF at this time in order to begin immediate economic development plans to create a viable economic and political order in the West Bank and Gaza Strip. Such plans can be developed in cooperation with Palestinian institutions in the diaspora that have expertise in these areas. The government, working in cooperation with the Palestine National Council, can also establish a Palestinian "Law of Return". This will make possible the reconstitution of the Palestinian national community in a manner consistent with the economic, social, and political absorptive capacities of the Palestinian territories.

## Step D

At the end of three years, the U.N. Security Council will convene an all-party conference to resolve final status issues related to implementation of U.N. Security Council Resolution 242.

Central to the conference will be a series of bilateral direct negotiations between the Palestinian government and the government of Israel, Syria and Israel, Lebanon and Israel, and Jordan and Israel. In each of these negotiations, issues to be resolved will include (where applicable):

Status of settlements and settlers; final borders and appropriate security arrangements; and normalized relations.

Additional final-status issues that must be discussed and resolved in fulfillment of U.N. Security Council Resolution 242 are the establishment of demilitarized zones and the final resolutions of refugee rights as detailed in earlier U.N. resolutions.

With the completion of this process between the government of Palestine and the government of Israel, the Arab states will offer formal diplomatic recognition to the state of Israel. At the same time, the conference will give formal recognition to the State of Palestine and admit it as a full member of the United Nations.

## MISSION STATEMENT: COALITION FOR POST-WAR U.S. POLICY IN THE MIDDLE EAST

The Coalition represents organizations concerned with ensuring that U.S. post-war policies in the Middle East reflect America's long and productive relationships in the region. American policies should be formulated on the basis of mutual concerns and shared goals for international and regional order, stability, prosperity, and, most importantly, peace.

Members of the Coalition believe that the current debate about post-war U.S. Middle East policy does not sufficiently address the

land confiscations and settlement development, the area of Arab habitation has become a separate enclave. It should, nevertheless, fall under Palestinian/U.N. governance during the interim period. Appropriate security guarantees, and access to Israel, should be provided to Israelis who remain in Jerusalem's eastern suburbs awaiting final-status negotiations.

need to create and maintain bilateral, regional, and international efforts to foster peace and stability. The Coalition supports a continued American role in the region based on a vision of promoting peace and stability by advancing greater economic and political pluralism. This effort, over time, will be the key factor in diminishing prospects for conflict throughout the region.

The United States has a moral, strategic, and political role in the region. American leadership, in the 1990s, in partnership with the United Nations, can be a major force in promoting the rule of law and the evolution of a new international order, especially in the Middle East. There is no more vital task for American and world diplomacy in this decade.

The Coalition will address a number of topics in the continuing debate about U.S. post-war policy.

Regional security and stability—the freedom for all parties to live peacefully within secure and recognized boundaries, regional arms control—the limitation and elimination of all weapons of mass destruction including biological, chemical, nuclear, and ballistic missile technology, peaceful resolution of all current crises and conflicts, and a broadly defined effort to promote reconciliation among all peoples and governments in the region, greater political pluralism and respect for human, civil, and political rights, economic development strategies which promote open markets, economic empowerment, and regional prosperity.

The Coalition welcomes the support and cooperation of others who share its interests in ensuring that the post-war debate will lead to an American commitment to and participation in an enduring process for peace and prosperity.

#### PROLIFERATION PROFITEERS: PART 15

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. STARK. Mr. Speaker, Germany's shameful record in assisting proliferation during the 1980's is well documented. But there are now signs that Bonn is beginning to play a constructive role in preventing the further spread of weapons of mass destruction. German Chancellor Helmut Kohl is in Washington today and tomorrow, on his first trip to the United States as head of a united Germany. I would like to take this occasion to commend Mr. Kohl on the steps his government has taken in recent months to tighten Germany's controls on the export of sensitive technology.

Especially significant is the Germans new insistence that any country receiving their nuclear exports have International Atomic Energy Agency [IAEA] safeguards on all of its nuclear facilities. The United States has made full scope safeguards a requirement for any nuclear exports since the 1970's. The Germans now join us in urging the French, British, Soviets, and other nuclear suppliers to adopt that position.

I am concerned, though, about reports that the German Government is still considering letting one of its firms, Siemens, construct a nuclear reactor in Iran. Below, I have included in the CONGRESSIONAL RECORD a report on

Siemens' involvement in Iran. This is the 15th in a series of case studies on foreign firms which have aided the nuclear weapons programs of developing countries.

Building a reactor in Iran would not formally violate any nonproliferation agreement, since Iran has ratified the Non-Proliferation Treaty, and the reactor would be under IAEA safeguards. But given reports on Iran's nuclear cooperation with China and Pakistan, two countries which have nuclear weapons, as well as Tehran's support for international terrorism, letting this deal go through would demonstrate very questionable judgment.

#### SIEMENS AG AND IRAN'S BUSHEHR NUCLEAR PLANT<sup>1</sup>

Siemens AG is one of Germany's foremost industrial concerns. Its nuclear technology division, Krafwerk Union (KWU), is capable of exporting a full range of nuclear power components, including entire power plants, their associated facilities, and related technologies. Siemens/KWU was responsible for the construction of Iran's Bushehr nuclear power plant begun in 1974 under the former Shah. The project was halted when Iran's revolutionary government canceled Siemens' contracts in 1979. Since 1984, however, Iran has tried to resuscitate the reactor project—further impeded by Iraqi air strikes in 1987—with the help of Siemens or other nuclear companies in Argentina, South Korea, Spain, and the Soviet Union. The position of the German Foreign Ministry has generally been to support the resumption of nuclear cooperation with Iran, but with the stipulation that no exports would be shipped until a formal peace settlement between Iran and Iraq had been achieved. In 1989, following a ceasefire between those two combatants, Iran again asked Siemens to complete the project but no agreement was reached. Following the Gulf crisis and international condemnation of its lax nuclear export policy, Germany has acted to prevent Siemens from re-starting the project. Some press reports, however, indicate that a subsidiary or licensee of the company may have agreed to rebuild the long stalled project. At least one Spanish subcontractor of Siemens, Equipos Nucleares, is anxious to help complete the plant in conjunction with other Spanish firms. The German government claims that Siemens will not be authorized to complete the project even though there may be little legal ground to refuse the delivery of components for which Iran has already paid. The European Chamber of Commerce (ICC) ruled in 1982 that Iran was entitled to receive such Siemens equipment. Iran has also filed several suits against France's Framatome for its failure to complete a nuclear plant canceled in the wake of the Iranian revolution. The ICC recently ruled in Iran's favor regarding one of the suits against Framatome, which may compel Siemens to continue pressing the German government for an export permit to avoid facing similar legal action. Nucleonics Week has also recently reported European diplomatic sources as believing Germany may now favor an alternative plan to allow Siemens to supply Iran with new nuclear reactors in lieu of rebuilding the heavily damaged Bushehr facility.

U.S.—Siemens Trade: Siemens has maintained an extensive trading relationship with major U.S. corporations and public utilities, including such firms as Bechtel, with which

<sup>1</sup>Prepared by C.A. Binkley from articles held in the Emerging Nuclear Suppliers & Nonproliferation Project database.

it formed a "strategic alliance" in 1988 to provide operating plant services to the U.S. nuclear industry, and General Electric Corporation, with which it has several exchange and cooperation agreements in the power plant and nuclear fuel sectors. One U.S. subsidiary of Siemens, Utility Power Corporation, developed from a joint venture between the company and the U.S.-based Allis-Chalmers Corporation to provide Siemens/KWU-designed turbine generators to the U.S. utility market. Another joint venture was formed in 1988 between a Siemens subsidiary and the U.S. firm General Atomics Corporation to explore the commercialization of an advanced nuclear reactor. In 1986, Siemens acquired the Advanced Nuclear Fuel Corporation from Exxon as well as its European subsidiaries.

Sources: Los Angeles Times, 1/27/91, pp. 1, 28-29 by Jim Mann; "Korea Times" (Seoul), 3/2/90, p. 8 in "Nuclear Developments," 3/16/90, p. 8; "Nuclear Engineering International," 6/87, p. 32, 8/87, p. 25, 4/88, p. 8, 5/88, p. 12, 11/88, p. 11, 2/89, p. 5; "Nuclear Fuel," 2/8/88, pp. 12, 14 by Ann MacLachlan, 1/23/89, pp. 1-2 by Mark Hibbs; "Nuclear News," 10/85, p. 76, 4/87, p. 63, 2/89, pp. 110-112, 11/89, pp. 91-92; "Nucleonics Week," 8/20/87, p. 13 by Richard Kessler, 8/11/88, pp. 3-4 by Mark Hibbs, 9/29/88, pp. 3-4 by Marc Sperber, 11/17/88, pp. 1, 8-9 by Margaret L. Ryan, 11/9/89, p. 7 by Mark Hibbs, 3/15/90, p. 18, 2/7/91, pp. 15-16 by Mark Hibbs, 5/2/91, pp. 17-18 by Mark Hibbs.

#### NORTH AMERICAN FREE TRADE AGREEMENT: TOO FAST A TRACK

### HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GEJDENSON. Mr. Speaker, I would like to have inserted into the CONGRESSIONAL RECORD the executive summary of a report entitled "North American Free Trade Agreement: Too Fast a Track?" that was prepared at my direction by the staff of the Subcommittee on International Economic Policy and Trade.

The report makes the recommendation that Congress should only grant the President fast-track negotiating authority if he makes more concrete commitments to including the environment and worker rights in the free trade agreement and if he makes a more solid commitment to assistance to American workers who may be displaced by a trilateral trade accord.

The full text of the report describes the importance of these issues to trade and competitiveness and how they might be addressed in trade negotiations. The report also illustrates the costs to both the United States and Mexico of leaving the environment and labor standards out of a free trade agreement. The subcommittee staff also makes recommendations on how labor and environmental standards could be enforced in a trade accord and suggests possible trade-related penalties for noncompliance.

With respect to assistance to American workers who may be adversely affected by a North American Free Trade Agreement, the report outlines what must be done to address the concerns of workers. The report shows that worker adjustment assistance programs have been authorized by Congress many times in the past in conjunction with major

Federal legislation. Programs in other industrialized nations are also described.

Regarding human rights and political reform, the report describes the relationship of these issues to Mexico's economic and political stability and suggests that they might have an indirect impact on future United States-Mexico trade relations.

The report analyzes the potential impact of a free trade agreement on agriculture, manufacturing, services, and petrochemicals as well as the opportunities for increased trade and investment in these sectors.

Copies of the full report are available in room 702, House Annex 1. Members' offices may also call the subcommittee staff at 226-7820 to obtain a copy of the complete report.

#### EXECUTIVE SUMMARY

Over the course of two months this Spring, the Subcommittee on International Economic Policy and Trade conducted a series of hearings on the President's proposal for a North American Free Trade Agreement.

We received from the General Accounting Office a study we had commissioned to examine Mexico's petrochemical industry and the opportunities for U.S. trade and investment in that sector.

We carefully reviewed the President's May 1 report to Congress on how his Administration plans to address issues such as the environment and labor standards in the free trade discussions. We also reviewed a variety of independent studies on the possible impact on the U.S. of a free trade accord with Mexico and Canada.

It was found that information and hard data on the impact of a North American Free Trade Agreement on the United States, whether it be environmental or economic, is lacking. Most information, whatever the political perspective, is based on an extrapolation of past performance. Neither side of the debate has much more than anecdotal evidence of what might happen under a free trade agreement. The February 1991 report of the International Trade Commission offers very little information on the effect of a free trade agreement on U.S. employment. Furthermore, the Administration has failed to provide Congress with its own analysis of the likely economic impact of a free trade agreement.

With respect to labor standards and worker rights, the Subcommittee staff found that although Mexico has progressive labor laws, it has a very poor record of enforcement of those labor laws. It was found that non-enforcement of labor laws in Mexico permits non-complying companies a competitive advantage over companies in the U.S. The Subcommittee staff notes that the U.S. has a long history of incorporating labor standards and worker rights into U.S. trade laws.

Regarding the environment, it was found that while Mexico's environmental laws are quite good, enforcement of those laws is very poor, especially in the Maquiladora zone. Therefore, evasion of Mexico's environmental laws constitutes a production subsidy to non-complying companies competing with U.S. companies that must abide by U.S. environmental laws. The Subcommittee staff found that it is entirely possible and practical to provide for enhanced funding for enforcement of environmental laws and that trade-penalties for non-compliance can be included in a trade agreement.

On the issue of worker adjustment assistance, the Subcommittee staff found that there is a great deal of mistrust regarding the President's promise to support assist-

ance to workers who may be adversely affected by a free trade agreement. This is due to the President's recent proposal to slash funding for existing worker adjustment assistance programs and the Administration's failure to release monies authorized for assistance to defense workers affected by cuts in defense spending.

The Subcommittee staff concluded that Congress should only grant the President fast-track negotiating authority if he makes more concrete commitments to including the environment and workers rights in the free trade negotiations and if he makes a more solid commitment to assistance to American workers who may be displaced by trilateral trade agreement.

With respect to assistance to workers adversely affected by a North American Free Trade Agreement, the President should request from Congress a specific level of funding for a program to aid American workers displaced by free trade with Mexico. The President should also describe the specific benefits that workers may expect, how long they may receive assistance, and where the funding is to come from.

The President should recognize that the issue of worker rights is directly related to trade and competitiveness and that it should be incorporated into a North American Free Trade Agreement. The President should direct U.S. trade negotiators to raise the issue of workers rights and to seek ways to narrow the differences between the U.S. and Mexico. Penalties for noncompliance should be included in the North American Free Trade Agreement.

The President should direct U.S. negotiators to put all environmental issues on the table, recognizing that Mexico's lax enforcement of its environmental standards has a direct bearing on trade and competitiveness. The negotiators should seek ways to improve Mexico's treatment of the environment and establish penalties for non-compliance. The President should direct that an Environmental Impact Statement be prepared as required by the National Environmental Policy Act (NEPA).

The President should direct his Administration to immediately open parallel talks with Mexico on human rights and political reform. While these issues are not always perceived as having a direct bearing on trade, the continued abuse of human rights and a lack of political reform will jeopardize economic and political stability in Mexico.

This Subcommittee staff report outlines the importance of the environment, labor standards, human rights and political reform, their relationship to trade and competitiveness and how they could be addressed in a North American Free Trade Agreement.

#### RECOMMENDATIONS

The Subcommittee staff recommends that the Congress grant the President fast-track negotiating authority with the explicit condition that the President make concrete commitments to Congress regarding worker adjustment assistance, worker rights, the environment, human rights and political reform in Mexico.

#### WORKER ADJUSTMENT ASSISTANCE

The President should request from Congress a specific level of funding for a program to aid American workers adversely affected by free trade with Mexico.

The President should also describe the specific benefits that workers may expect, how long they may receive assistance, and where the funding is to come from.

#### LABOR STANDARDS AND WORKER RIGHTS

The President should recognize that labor standards and worker rights are directly related to trade and competitiveness and that they merit the attention of the negotiators of a free trade accord.

The President should direct U.S. trade negotiators to raise the issue of worker rights and to seek ways to narrow the differences between the U.S. and Mexico.

Penalties for noncompliance should be included in the North American Free Trade Agreement.

#### THE ENVIRONMENT

The President should direct the U.S. negotiators to put all environmental issues on the table, recognizing that Mexico's lax enforcement has a direct bearing on trade and competitiveness.

The negotiators should seek ways to improve Mexico's treatment of the environment and establish penalties for noncompliance.

The President should direct his Administration to prepare an Environmental Impact Statement as required by the National Environmental Policy Act (NEPA).

#### HUMAN RIGHTS AND POLITICAL REFORM

The President should direct his Administration to immediately open parallel talks with Mexico on human rights and political reform in Mexico.

While these issues may not be seen to have a direct bearing on trade, the continued abuse of human rights and a lack of political reform will jeopardize economic and political stability in Mexico.

#### THE NORTH AMERICAN FREE TRADE AGREEMENT AND CONGRESS

President Bush is asking the Congress to give his Administration unfettered authority to negotiate a wide-ranging free trade agreement that will affect 365 million people on the North American continent.

Fast-track negotiating authority does permit the Congress to have the final word on approval or disapproval of the agreement after the negotiators have finished their work. But fast-track is an all or nothing proposition; no amendments of any kind are permitted under present fast-track rules.

Practically, it is difficult to see how a complex trade agreement involving all the goods and services traded among three large countries can make it through Congress without a fast-track type of authority. The damage done to the Caribbean Basin Initiative a few years ago is a graphic example. So many amendments were added to that legislation that, in the end, it accomplished very little for either the United States or the Caribbean countries.

On the other hand, the prospect of allowing USTR complete latitude with no instructions from Congress and no recourse at the end but the most absolute (a "no" vote) is daunting.

A mid-course for Congress would be to grant the President fast-track negotiating authority provided that certain issues are addressed in a substantive fashion with the context of the free trade talks. Congress should require that environmental and labor standards are addressed on the grounds that these issues are directly linked to trade. Human rights and political reform must also be discussed but in side negotiations to be linked to the final free trade accord. But they should be related to the free trade talks because an improvement in these areas is vital to the continued economic and political stability of Mexico. Congress should require,

as a prerequisite to fast-track, that the President make a firm commitment on spending levels for American workers affected by a free trade accord.

Congress did not condition the fast-track process when it authorized the President to enter into negotiations on a U.S.-Canada Free Trade Agreement. But Canada and the United States have more similarities than differences in terms of economic development, environmental and labor laws and even culture. The same is not true of Mexico and the United States. Although neighbors, the U.S. and Mexico have vastly different economic systems. If the proposed accord with Mexico is agreed to, it will mark the first time that such an arrangement between a developed and an underdeveloped country has been reached.

The political systems of the two countries, while nominally alike, vary greatly in that Mexico is, in effect, a one party state. This difference extends to the social sphere as well where Mexico has severe human rights problems and limited protections for workers' rights.

The level of environmental protection in the United States, while far from perfect, is much better than any protections in Mexico.

In sum, the President is asking the Congress to give him carte blanche approval to negotiate an unprecedented trilateral agreement that is bound to have a significant impact on American society and on our economy. Recognizing that the agreement has both the potential to substantially benefit the U.S. as well as to harm some sectors, Congress should respond by a qualified yes that allows it to set some negotiating guidelines. In this manner, Congress can maintain its rights and responsibilities while also permitting the negotiations to go forward.

The Subcommittee's report makes the following findings:

#### Generally:

Information and hard data on the impact of a NAFTA on the U.S., whether it be environmental or economic, is lacking. Most information, whatever the political perspective, is based on an extrapolation of past performance. Neither side of the debate has much more than anecdotal evidence of what might happen under a NAFTA.

The February 1991 report of the International Trade Commission offers very little information on the effect of a NAFTA on U.S. employment.

The Administration has failed to provide Congress with its own analysis of the likely economic impact of a NAFTA.

#### LABOR STANDARDS/WORKER RIGHTS

Although Mexico has progressive labor laws, it has a very poor record of enforcement of those labor laws.

Non-enforcement of labor laws in Mexico permits non-complying companies a competitive advantage over companies in the U.S.

The U.S. has a long history of incorporating labor standards/worker rights into U.S. trade law.

Labor standards/worker rights are enforceable in trade agreements.

#### ENVIRONMENT

While Mexico's environmental laws are quite good, enforcement of those laws is very poor, especially in the Maquiladora zone.

Evasion of Mexico's environmental laws constitutes a production subsidy to non-complying companies vis a vis U.S. companies that must abide by U.S. environmental laws.

Enhanced funding for enforcement and trade-penalties for non-compliance can be included in a trade agreement.

Mexico's environment will suffer even more damage from liberalized trade and investment unless measures are taken in a NAFTA to set and enforce higher standards than currently exist in Mexico.

Mexico's environmental problems are not limited to the U.S.-Mexico border regions.

#### WORKER ADJUSTMENT PROGRAMS

Adjustment programs to affected workers have been authorized many times in the past in association with major federal legislation.

Models for adjustment programs exist in Germany, Japan and the European Community.

#### TRIBUTE TO NATHANIEL COLLEY

##### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Nathaniel Colley, honored member of the Sacramento community. Mr. Colley is being recognized for his outstanding contributions in the areas of civil rights, education, politics, and law. I hope my colleagues will join with me in honoring him here today.

Nathaniel Colley has served his country, community, and profession in an exemplary fashion. He received his B.S. degree from the Tuskegee Institute and later attended Yale Law School where he received awards for the most significant contribution of any Yale student to New Haven and the best original essay of any Yale law student in 1948.

Mr. Colley's professional career encompasses a wide range of experiences. After entering the U.S. Army as a private in 1942, he was honorably discharged in 1946, having achieved the rank of captain. In 1949, he established a law firm which has grown and prospered. Mr. Colley serves as a part-time professor of law at the University of the Pacific and the McGeorge College of Law. He is also a lecturer for the University of California extension service and at California Trial Lawyers Association Seminars. His role as the Western Regional Counsel for the NAACP denotes not only a professional achievement but also a strong commitment to further the cause of civil rights.

Mr. Colley's civic and educational activities exemplify his strong character and firm belief in the fight against racial discrimination. His illustrious list of achievements include the former vice-chairmanship of the NAACP National Board and membership in the NAACP's National Board of Directors from 1961 to 1991. Mr. Colley also served on the national board of directors for the National Committee Against Discrimination in Housing. His various roles in the field of education include a membership on the board of trustees for Tuskegee University, the California State Board of Education, executive committee for the Yale Law School Association and the board of directors for the Charles F. Kettering Foundation.

Mr. Colley has written a number of articles, including "Civil Actions and Damages in Civil Rights Cases", "The NAACP-Agitation or Advancement?", and "New Dimensions of Negro Political Thought." The honors bestowed him exemplify his exceptional character and faith-

fulness to the causes in which he believes. Included among his honors are "Who's Who in America and the World" and the "National Bar Associations Equal Justice Award."

Mr. Colley and his spouse, Jerleen, have five children. Jerleen Colley, also a graduate of Tuskegee Institute, has remained active in local politics and community affairs. The Sacramento community has been enriched by Nathaniel Colley and his family, and I hope you will join me in extending our heartfelt appreciation and congratulations to them.

#### INTRODUCTION OF THE HAZARDOUS AND ADDITIONAL WASTE EXPORT AND IMPORT ACT OF 1991

##### HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LENT. Mr. Speaker, I rise today to introduce on behalf of the Bush administration the Hazardous and Additional Waste Export and Import Act of 1991. This legislation amends the Resource Conservation and Recovery Act [RCRA] to implement the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, which the President is expected to send to the Senate for ratification in the very near future.

The United States signed the Basel Convention on March 22, 1989. Since that time, 53 other countries have added their signatures. The next step in the process is our ratification of the Convention. To date, 10 countries have done so. When 20 countries ratify the Convention, the Convention will go into effect.

The Senate's ratification of the Convention will allow the United States to actively participate in developing important protocols and minimize unnecessary disruption in existing exporting and importing relationships. However, before the United States can ratify the Convention, implementing legislation must be enacted. For that reason, Mr. Speaker, prompt consideration of the legislation I am introducing today is very important.

The legislation I am introducing today prohibits the export and import of hazardous and some nonhazardous wastes—such as municipal solid waste, municipal incinerator ash and infectious wastes—unless the United States has entered into a bilateral agreement with the receiving or sending country on how the wastes will be managed. Once a bilateral agreement exists, exports and imports of waste may proceed only if the receiving country and any transit countries have received notice of, and provided their consent to the shipment. The requirement of a bilateral agreement is not mandated by the Basel Convention. It is an important procedural safeguard that goes beyond the minimum requirements of the Convention, yet is consistent with the Convention.

By making our law consistent with the requirements of the Basel Convention, this legislation would ensure that hazardous and other waste covered by the Convention are disposed of in an environmentally sound manner,

regardless of where disposal ultimately occurs. It would empower our Government to stop attempted exports of waste to countries that do not want the waste and countries that would manage the waste in an environmentally unsound manner. However, the legislation would not impede recycling because the restrictions do not apply to certain materials, such as waste paper, glass, or plastics, when they are exported or imported solely for recycling purposes.

After several years of experience under the existing hazardous waste export provisions of RCRA, it is clear that the law needs to be strengthened to ensure that any waste exported from this country be disposed of in a manner sufficiently protective of human health and the environment. In addition, this legislation for the first time subjects imports of waste into this country to the same requirements. The Basel Convention and this legislation are important improvements over existing law, and provide the framework for ensuring the responsible management of our wastes.

Mr. Speaker, I am inserting in the RECORD at this point a section-by-section analysis of the Hazardous and Additional Waste Export and Import Act of 1991:

**SECTION-BY-SECTION ANALYSIS OF THE HAZARDOUS AND ADDITIONAL WASTE EXPORT AND IMPORT ACT OF 1991**

The purpose of this Act is to implement the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and Their Disposal (hereafter referred to as "the Basel Convention"). The Act amends the Solid Waste Disposal Act (hereafter referred to as "SWDA") to prohibit the export from or import into the United States of waste subject to the Basel Convention, unless there is a bilateral or regional agreement with the receiving or exporting country.

**SECTION 1. Short Title; Statement of Purpose; Table of Contents.**

**SEC. 2. International Shipments of Solid Waste.**

This section creates a new subtitle K of the Solid Waste Disposal Act on exports and imports of hazardous and additional waste.

**SEC. 12001. Definitions.**

In order to be consistent with the Basel Convention, this section defines two waste categories: "hazardous waste," defined as any waste identified or listed under section 3001 of SWDA; and "additional waste," defined to include other categories of waste which are also covered under the Basel Convention. Also consistent with the requirements of the Basel Convention, this section defines "additional waste" to include municipal waste and ash from the incineration of municipal waste.

Other definitions are consistent with those in the Basel Convention.

**SEC. 12002. Prohibition of Hazardous and Additional Waste Exports and Imports.**

This section prohibits exports or imports of hazardous or additional waste except for (1) the exports or imports pursuant to a bilateral or regional agreement, or (2) the transboundary movement of United States government waste under certain conditions. The section exempts the following from the blanket prohibition:

(1) certain specified waste exported or imported for purposes of recycling;

(2) waste shipments regulated by the Marine Protection, Research, and Sanctuaries Act, and the Act to Prevent Pollution from Ships;

(3) any transboundary movement of waste generated or managed exclusively by United States government activities and facilities located abroad or on board United States sovereign immune vessels, provided that such waste is not unloaded before reaching the United States;

(4) radioactive materials excluded from the definition of solid waste under SWDA;

(5) spent nuclear fuel as defined by the Nuclear Waste Policy Act; and

(6) hazardous or additional waste when mixed with spent nuclear fuel or radioactive materials that are excluded from the definition of solid waste under SWDA and subject to other international control systems.

The provisions pertaining to bilateral and regional agreements, as well as the specified exemptions, are consistent with the requirements of the Basel Convention and with other international instruments governing waste disposal.

**SEC. 12003. Exceptions to Prohibition.**

This section describes the three situations in which exports or imports pursuant to a bilateral agreement will be lawful:

(1) exports and imports made pursuant to a bilateral or regional agreement in effect on the date of enactment of the Act and the exporter or importer complies with the requirements of section 3017 of SWDA; Note: Exports and imports made pursuant to an existing agreement that is amended, renewed or extended before the implementing regulations of the Act are promulgated will also be lawful if the exporter or importer complies with the requirements of section 3017 of SWDA;

(2) exports and imports made pursuant to a bilateral or regional agreement in effect on the date of enactment of the Act, but amended, renewed, or extended after the implementing regulations are promulgated, if the amendment, renewal, or extension is compatible with environmentally sound management of the waste and the exporter or importer complies with the procedural requirements of the Act (see section 12004, 12005); and

(3) exports and imports made pursuant to a bilateral or regional agreement entered into after the date of enactment of the Act if the agreement requires environmentally sound management of the waste and compliance with any applicable Federal laws and State programs and the exporter or importer complies with the procedural requirements of the Act (See Section 12004 and 12005).

Notwithstanding these exceptions, it will be unlawful for a person to export or import any hazardous or additional waste when that person knows the waste will not be managed in an environmentally sound manner or in accordance with applicable laws of the importing country, transit country, the United States, or the requirements of any State program authorized under the SWDA.

**SEC. 12004. Requirements for Exports.**

This section requires the exporter to:

(1) provide written notice to, and obtain consent of, the importing and transit countries before participating in the export;

(2) document efforts to minimize waste;

(3) enter into a written contract with the importer specifying environmentally sound management;

(4) accept, nor notify EPA if it declines to accept, legal and financial responsibility for environmentally sound management of undelivered waste. If the exporter declines responsibility, then EPA may enforce appropriate management and cost recovery;

(5) comply with the financial responsibility requirements of the United States, the importing country, and transit country; and

(6) ensure that the "movement documents," with required signatures, accompany the export.

The President may authorize general notification and consent procedures for use during a twelve month period, for multiple shipments of the same type of waste to the same disposer via the same customs offices.

**SEC. 12005. Requirements for Imports.**

This section requires the importer to:

(1) provide written notice from the exporting country and obtain written consent from the President before participating in the import of the waste;

(2) enter into a written contract with the exporter specifying waste management in accordance with applicable Federal law and State programs;

(3) accept legal and financial responsibility for lawful management of the waste;

(4) comply with United States and exporting/transit country's financial responsibility requirements; and

(5) ensure "movement documents," with required signatures, accompany the import.

The President may authorize general notification and consent procedures for use during a twelve month period for multiple shipments of the same type of waste to the same disposer via the same customs offices.

**SEC. 12006. Import of Waste Generated or Managed by or on Behalf of the United States.**

This section addresses the President's authority over the imports of hazardous and additional waste generated or managed by or on behalf of any department, agency, or instrumentality of the United States government. Consistent with the environmentally sound management of this government waste, the President may:

(1) determine the procedures for managing abroad and importing such waste into the United States; and

(2) waive the requirements of the Act for individual shipments of such waste if he determines that the waiver is in the paramount interest of the United States.

**SEC. 12007. Requirements for Transit Through the United States.**

This section requires persons responsible for importing waste into the United States, solely for purposes of transit through the United States to another country to:

(1) provide written notice from the exporting country and obtain written consent from the President for such transit;

(2) provide copies of transit and importing countries' consent; and

(3) provide notice that transit has been completed.

**SEC. 12008. Authorities of the President.**

This section authorizes the President to:

(1) promulgate regulations within eighteen months to implement and enforce the requirements of the Act, including regulations defining criteria for determining "environmentally sound management" and regulations applicable to bilateral or regional agreements on environmentally sound recycling;

(2) prohibit exports and imports, by particular source, shipment, or class, where the waste would not be managed in accordance with the requirements of the Basel Convention. Specifically, exports and imports may be prohibited where the waste would not be managed:

(a) in an environmentally sound manner by the importing country;

(b) in accordance with applicable State or Federal law;

(c) in accordance with contractual specifications or the requirements of bilateral or regional agreements; or

(d) in accordance with United States' international obligations.

(3) *issue emergency orders* to prohibit export or import of hazardous waste by particular source, shipment, or class from or to a specific country;

(4) *control undelivered exports* by ensuring the delivery of the waste to a designated or alternative facility or the return of the waste to the United States; and

(5) *designate ports* by limiting or restricting all or particular shipments of waste to those ports.

Note.—The judicial review provisions of section 7006 of SWDA apply to all regulations promulgated pursuant to the Act.

#### SEC. 12009. Antarctic Treaty Area.

This section prohibits the export of hazardous or additional waste to the Antarctic Treaty Area for treatment, incineration, storage, disposal, or recycling.

#### SEC. 12010. Reporting.

This section requires all persons who export or import hazardous or additional waste to report to EPA each year summarizing the nature of the waste disposition.

#### SEC. 12011. Fees.

This section directs the President to promulgate and revise regulations establishing fees for exporters or importers of hazardous or additional waste in order to recover the costs of carrying out the requirements of the Act. All fees collected are deposited in miscellaneous receipts of the United States Treasury.

#### SEC. 12012. Federal Enforcement.

This section authorizes the President to commence civil and criminal enforcement actions against persons who have violated the requirements of the Act. This includes authority to:

(1) issue compliance orders and orders assessing civil penalties for past or current violations and to set dollar limits on penalties;

(2) seek civil enforcement of emergency orders;

(3) enforce criminal orders and penalties for knowing violations of specified requirements of the Act. This subsection includes a knowing endangerment provision that generally parallels current law;

(4) subject to forfeiture property (real or personal) used or maintained in violation of the Act;

(5) impose financial responsibility requirements for the return of waste to the United States or to an alternative country, or for environmentally sound management, and to suspend any person from participating in any export or import of waste from or into the United States; and

(6) require all persons who are responsible for illegal exports and imports to take financial responsibility for the waste's return or accept liability to the United States for all costs incurred in fulfilling the responsibilities of the exporter or importer.

#### SEC. 12013. Effective Date.

The provisions of the Act take effect on the date of enactment, except as otherwise provided.

#### SEC. 3. Objectives and National Policy.

This section establishes a national policy which assures that hazardous and additional waste exported from or imported to the United States is exported or imported in compliance with the provisions of the Basel Convention.

#### SEC. 4. Retention of Existing Authority.

This section ensures that section 3017 of SWDA and all regulations promulgated pursuant to that section remain effective for hazardous waste exported or imported under

section 12003(a) of the Act. Section 3017 of SWDA and its regulations will remain effective until the effective date of regulations issued pursuant to the Act.

#### SEC. 5. Conforming Amendments.

This section makes several technical and conforming amendments to sections 3008 and 3017 of SWDA, and to sections 3, 101, and 102 of the Marine, Protection, Research, and Sanctuaries Act.

### INTRODUCTION OF H.R. 2310, DRUG CASH INFORMATION ACT OF 1991

#### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. RANGEL. Mr. Speaker, on May 13, 1991, I introduced H.R. 2310, the Drug Cash Information Act of 1991.

This bill expands on my amendment adopted unanimously last year when the House considered and passed H.R. 3848, the Depository Institution Money Laundering Amendments of 1990.

My bill requires Treasury to collect information on the amounts and denominations of currency seized in drug trafficking and drug money laundering cases and to periodically report such information to Congress. Treasury also would be required to collect any other information necessary to determine the extent to which large denominations of currency—\$50 and \$100 bills—are used in drug crimes and the feasibility of withdrawing such bills from circulation or replacing them with new, redesigned notes. Finally, after a 2-year period of collecting this information and establishing a database, Treasury would have to determine the feasibility of withdrawing or replacing such notes and the deterrent effect of such withdrawal or replacement on drug crimes.

I have long been concerned that the availability of large denominations of currency makes it much easier for drug traffickers to conduct their operations. Over the years, I have proposed several measures to withdraw large bills from circulation or replace them with new, redesigned notes as a way to impede illicit narcotics traffic and the cash flow which sustains this poisonous trade. The Treasury has routinely rejected these proposals as impractical and ineffective.

We now know that Treasury's judgments on my proposals never had any basis in fact. The Secretary of the Treasury was required, by the Anti-Drug Abuse Act of 1988, Sec. 6187, to conduct a study of the feasibility of withdrawing \$50 and \$100 Federal Reserve notes and to determine whether those notes were being used predominately for illegal activities. The act required Treasury to report back to Congress on its findings.

The Secretary's report, which was submitted in September of 1989, concluded that withdrawing currency in these denominations would have a negligible impact on criminal activity. Unsatisfied with Treasury's findings, I requested GAO to review Treasury's conclusions and the basis for those conclusions.

GAO's report to me in April of 1990 concluded that there was an inadequate factual basis for Treasury's determination. GAO said

Treasury officials acknowledged that little information has been gathered or maintained on the denominations of currency used in illegal activities investigated by Treasury agents such as money laundering and drug trafficking. Treasury officials agreed that the statistical and economic data used in its study was neither current nor complete. GAO also confirmed that information is not routinely collected or maintained on the denominations of currency seized in illegal activities. GAO concluded that until Treasury or the Federal Reserve records sufficient data on the denominations of currency used in illegal activities, a valid study of the use of \$50 and \$100 bills in illegal activities was not feasible.

Thus, one of the main purposes of my bill is to require Treasury to collect the information GAO says we now do not have so that we can find out the extent to which large denominations of currency are used to facilitate drug trafficking and drug related money laundering. When, according to Treasury, 62 percent of the total value of U.S. currency in circulation is either in \$100 or \$50 Federal Reserve notes, it only makes sense to determine how much of these large denominations are being used for drug trafficking and drug money laundering.

My bill will also require Treasury to collect any additional information needed to determine the extent to which large denominations of currency are used for illegal drug activities and the deterrent effect that withdrawal or replacement of such denominations would have on these activities. Once an adequate database is in place, Treasury would be required to make a new judgement—this time based on factual information—on the feasibility of withdrawing \$100 and \$50 bills from circulation or replacing them with redesigned notes and the deterrent effect of such action on drug trafficking and drug money laundering.

Cash is the lifeblood of the illicit narcotics trade. I am convinced that once we know how much of this traffic is conducted with \$50 and \$100 bills, we will recognize the need to consider ways of restricting the utility of these large denominations of currency in large-scale international drug smuggling operations.

I am pleased that much of what I proposed last year has been incorporated in H.R. 26, the Money Laundering Enforcement Amendments of 1991, by the House Banking Committee. H.R. 2310 improves on my proposal from last year, and I will urge the Banking Committee to accept these changes when H.R. 26 comes to the floor. I invite Members of the House to join me as cosponsors of H.R. 2310.

I insert the text on H.R. 2310 in the RECORD at this point:

#### H.R. 2310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug Cash Information Act of 1991".

#### SEC. 2. AMOUNTS AND DENOMINATIONS OF CURRENCY CONFISCATED IN CONNECTION WITH DRUG LAW ENFORCEMENT AND DRUG-RELATED MONEY LAUNDERING.

(a) COLLECTION OF INFORMATION FROM FEDERAL AGENICES.—

(1) IN GENERAL.—The Secretary of the Treasury shall collect and maintain information on—

(A) the total dollar amount of Federal Reserve notes (and any other currency) which are confiscated in connection with the enforcement of laws relating to controlled substances of any enforcement action with regard to drug-related money laundering; and

(B) the total dollar amount of each denomination of such notes and other currency.

(2) INFORMATION PROVIDED BY OTHER AGENCIES.—In the case of any confiscation described in paragraph (1) by any federal law enforcement agents who are not employed within the Department of the Treasury, the head of the department or agency in which such agents are employed shall promptly provide the information referred to in such paragraph to the Secretary of the Treasury.

(b) COLLECTION OF INFORMATION FROM STATE AND LOCAL AGENCIES.—

(1) PLAN.—The Secretary of the Treasury shall develop a plan for obtaining from appropriate agencies and departments of State and local governments information on the amounts and the denominations of Federal Reserve notes (and any other currency) which are confiscated by State or local law enforcement agents in connection with the enforcement of laws relating to controlled substances or any enforcement action with regard to drug-related money laundering.

(2) REPORT.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall submit a report to the Congress on the plan developed pursuant to paragraph (1), including such recommendations for legislative or administrative action as the Secretary determines to be necessary to implement the plan.

(3) IMPLEMENTATION.—After submission of the plan required in paragraph (2), the Secretary of the Treasury shall take immediate steps to implement any part of the plan which can be carried out without further legislative action.

#### SEC. 3. ADDITIONAL INFORMATION.

(a) REPORT.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall submit a report to the Congress describing any other information (in addition to the information maintained pursuant to section 2) that would be needed in order to determine—

(1) the extent to which Federal Reserve notes in denominations of \$50 and \$100 are being used for illegal, drug-related transactions; and

(2) the feasibility of withdrawing legal tender status of Federal Reserve notes in denominations of \$50 and \$100, or replacing such notes with new notes of a different design, and the deterrent effect such withdrawal or replacement would have on illegal, drug-related transactions.

(b) COST.—The report required by subsection (a) with respect to the need for additional information shall include an estimate of the cost of collecting such information.

(c) COLLECTION.—The Secretary of the Treasury shall take all necessary steps to collect and maintain the additional information identified in the report required by subsection (a), including the submission to the Congress of recommendations for legislation which the Secretary determines is necessary in order to carry out such requirement.

#### SEC. 4. PERIODIC REPORTS ON COLLECTED INFORMATION.

(a) IN GENERAL.—The Secretary of the Treasury shall submit a report to the Congress containing a summary of the information collected by the Secretary under sections 2 and 3(c) at the end of each 6-month period beginning after the date of the enactment of this Act.

(b) FEASIBILITY REPORT.—

(1) REPORT REQUIRED.—The report submitted under subsection (a) at the end of the 2-year period beginning on the date of the enactment of this Act shall include a determination by the Secretary of the Treasury on the feasibility of withdrawing legal tender status of Federal Reserve notes in denominations of \$50 and \$100, or replacing such notes with new notes of a different design in a coordinated 1-time exchange, and the deterrent effect such withdrawal or replacement would have on illegal, drug-related transactions.

(2) FACTORS TO CONSIDER.—In making the determination under paragraph (1), the Secretary of the Treasury shall consider the following:

(A) The extent to which Federal Reserve notes in denominations of \$50 and \$100 are being used for illegal, drug-related transactions.

(B) Whether the withdrawal or replacement of such notes would help deter illegal, drug-related transactions.

(C) The effect the withdrawal or replacement would have on legitimate commerce and the economy of the United States.

#### TRIBUTE TO JOE PASHALIAN

##### HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. REED. Mr. Speaker, I rise today to pay tribute to Joe Pashalian, owner of the Boston Submarine Shop in the city of Cranston, on the occasion of a celebration honoring his 80th birthday. The Boston sub shop, home to fine Armenian fare, is known better as a magnet for many professional and amateur local intellectuals who enjoy spending their lunch hour among fellow "Backroom Regulars" in stimulating discussion/debate of local, national, and international issues. I salute Joe for fostering such worthy philosophical pursuit, and for maintaining an inquisitive and thoroughly youthful spirit into his ninth decade.

Joe Pashalian, a first-generation Armenian-American, is a native of Providence. A merchant marine veteran of World War II, he attended Providence College and Boston University Law School, and still aspires to be a lawyer. Joe is the proud husband of Mrs. Alice Pashalian, and father of daughters Joan and Joyce.

Past owner of several Rhode Island businesses, Joe in recent years has opened three Boston submarine shops, two in Providence and one, his original, in Cranston. His Cranston shop has over the years evolved into a friendly home to a corps of civic-minded local personalities who gather daily in the shop's back room to review local and global current events. So well-known is the "Back Room" that its regulars have enjoyed remarkable success in drawing State and local dignitaries to

address a plethora of issues. Among recent speakers are Senator CLAIBORNE PELL, Gov. Bruce Sundlun, former Gov. Edward DiPrete, and Attorney General James O'Neil, among too many to mention. I have had the honor of addressing the "Backroom regulars" on two occasions in the past year.

In observing Joe's emergence as the local philosopher laureate in my hometown of Cranston, I have always marveled at his kindness, unassuming manner, devotion to enlightenment, and distaste of ignorance. Indifferent to his fellow regular's education, Joe joins one and all in the relentless pursuit of knowledge and understanding.

Mr. Speaker, I ask you and my colleagues to join me in saluting Joe Pashalian on his 80th birthday. As a member of the House Education and Labor Committee, I can think of no finer embodiment of either pursuit—education or labor—than Joe Pashalian, and I am proud that he undertakes his pursuits in my representative district.

#### THE STRANG CANCER PREVENTION CENTER

##### HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GREEN of New York. Mr. Speaker, I rise today to announce the inauguration of the Strang Cancer Prevention Center and its affiliation with The New York Hospital-Cornell Medical Center. As part of the celebration, the Strang Center will hold a reception in New York City where it will welcome its special guests, Mrs. Nancy Reagan and Ms. Helen Hayes.

It is my hope that the Strang Cancer Prevention Center will be successful in its efforts to enable cancer patients to combat the disease at its earliest stages. Finally, I should like to offer my thanks both to the Strang Cancer Prevention Center and to the New York Hospital-Cornell Medical Center for their struggle to diminish the threat of cancer.

#### PENSION COVERAGE AND PORTABILITY IMPROVEMENT ACT

##### HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GIBBONS. Mr. Speaker, today I am introducing the Pension Coverage and Portability Improvement Act of 1991, H.R. 2390. The purpose of this legislation is to strengthen the Nation's employment based pension system and help to make it more responsive to the changing needs of America's workers and the national economy.

Since passage of the Employee Retirement Security Act [ERISA] in 1974, employer sponsored pensions have become an increasingly important source of retirement income for substantial numbers of Americans. Between 1975 and 1987, for example, the numbers of private plans increased from 340,000 to more than

870,000 and the numbers of plan participants grew from 45 million to 78 million. Plan assets expanded from \$260 billion in 1975 to some \$1.4 trillion in 1987. And benefits paid to retirees increased from a total of \$19 billion in 1975 to more than \$118 billion in 1987.

Unfortunately, these impressive statistics mask continuing weaknesses in the Nation's voluntary private pension system. These problems must be corrected if the system is to serve as reliable source of retirement income for our aging population and continue to provide needed for productive investment in the Nation's economy.

In spite of substantial increases in numbers of plans and growth in numbers of plan participants, the percentage of the workforce whose employers sponsor pensions and other retirement savings arrangements has declined from more than 50 percent in the early 1980's to less than 48 percent today. Shifts in the composition of the Nation's economy have been accompanied by a shrinking workforce at larger companies in the industrial sector and the establishment of more small businesses in the services sector. And small firms are much less likely to provide pension plans for their employees. In firms with 500 or more workers, 88 percent of the workforce is covered by an employer sponsored plan. In firms with fewer than 100 employees, only 34 percent are covered.

Low rates of pension coverage, particularly among smaller firms, reduces national savings and means that many workers will retire without private pension benefits or with very limited benefits.

Even for those Americans who are fortunate enough to work for companies that offer retirement plans, many workers stand to lose a substantial part of their earned pension benefits if they change jobs prior to retirement. Loss of retirement income due to changes in employment may occur because workers fail to become vested in their employer's pension plan before changing jobs. Others may receive some or all of their earned benefits as a lump sum at job termination and elect to spend it rather than saving or investing it for retirement purposes. Or they may be covered by defined benefit pension plans that calculate retirement benefits on the basis of salary and years of service.

All four of these problems—lack of coverage, failure to vest, the propensity to consume preretirement lump sum distributions, and lack of portability from defined benefit plans—must be resolved, and resolved sooner rather than later, if we hope to provide adequate retirement income for our aging population and, at the same time, generate increased savings for productive investment in the Nation's economy in the years immediately ahead.

As its title suggests, the legislation which I am introducing today provides a reasonably comprehensive framework for solving each of these problems.

Title I of this bill would help to expand pension coverage and increase savings for retirement by requiring employers that do not currently offer pension plans or other retirement savings programs to establish voluntary salary reduction savings arrangements for their employees. Initially, employers would not be re-

quired to contribute to such arrangements. They would simply have to transfer payments from their payroll accounts to simplified employee pensions [SEP's] or to individual retirement accounts [IRA's] set up by or on behalf of their employees. Plan set up, reporting and other administrative costs to employers would be minimal, whereas employers tax preferences would remain the same. Employees, on the other hand, would be encouraged to save by the favorable tax treatment that their contributions would receive.

Title I of the Pension Coverage and Portability Improvement Act will help to protect the value of earned retirement benefits when workers change jobs through three separate but interrelated reforms.

In order to improve pension portability, vesting standards would be reduced so that after 1 year of service with an employer, all employees will earn a nonforfeitable right to a pension benefit.

My bill would permit vested employees to leave earned pension benefits in a former employer's plan or to transfer those benefits to another qualified plan or to an individual retirement account if and when they change jobs. Simplified rules would be established that would create new portable pension plans to accept transfers and rollovers from other qualified plans. Pension actuaries would be instructed to use an assumed interest rate [AIR] of 3 percent rather than prevailing market interest rates to determine the present value of earned benefits to be transferred to a portable pension plan upon job termination.

These provisions would have the effect of increasing the value of funds that are transferred by terminating employees to portable pension plans. With prudent investment of the assets so transferred, my bill would help to protect the value of earned benefits from inflation loss and, for the average worker, protect about 75 percent of the benefit from real earnings growth loss that results from the current lack of portability from defined benefit plans.

The Pension Coverage and Portability Improvement Act also includes two provisions designed to encourage the preservation of preretirement lump sum cash distributions. One would prohibit cash distributions of benefits that are attributable to employer contributions prior to retirement. The other would impose a 25 percent penalty tax on preretirement distributions of employee contributions that are not rolled over into an IRA or another qualified plan.

It seems reasonable to expect that, in exchange for improved portability of earned benefits, workers will be willing to accept the principle that tax preferences should be limited to pension plans that preserve assets intended for use in retirement at least until age 59½.

In the event that the above reform provisions do not result in substantial improvements in pension plan participation and portability of vested benefits within 5 years, additional reforms should be enacted to require all employers to establish and maintain a qualified pension plan funded, in whole or in part, by employer contributions. In order to be effective, such plans would have to meet certain minimum standards, including minimum employer contribution requirements for defined contribution plans and minimum benefit ac-

crual rates for defined benefit plans. All full-time employees with at least 1 year of service would be eligible to participate. Employer contributions would be fully and immediately vested and could not be integrated with Social Security.

In addition, earned benefits would be portable, that is, transferable to a simplified employee pension [SEP], individual retirement account [IRA], cash or deferred arrangement—401(k) plan—tax deferred annuity—403(b) plan—or any other plan that meets minimum standards governing the control and distribution of assets. Such standards are intended to enable plan participants or their beneficiaries to exercise control over the assets in their accounts and provide for distribution of earned benefits in standard retirement income forms.

Such legislation would also provide for the management of portable pension plans by private sector organizations including employers, associations or organization of employees, registered investment advisors, banks, insurance companies and other qualified financial intermediaries.

Title II of the Pension Coverage and Portability Improvement Act provides for an orderly transition to just such a minimum benefit pension system.

Mr. Speaker, I am introducing this legislative proposal in an effort to increase my colleagues awareness of the scope of the reforms that are needed to help make employer based pensions more responsive to the changing needs of our mobile American workforce. Thousands of engineers, health care workers, teachers, and employees of small businesses, to name just a few of the many affected groups, stand to benefit directly from enactment of provisions contained in this legislation. To the extent that it promotes increased savings, the bill will also benefit the nation by enlarging the supply of capital needed to improve economic competitiveness and industrial productivity.

I ask the bill be referred to the Committee on Ways and Means. I invite my colleagues to join me as cosponsors of this important legislation.

#### A TRIBUTE TO ROBERT D. WARD

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LEHMAN of California. Mr. Speaker, I rise before my colleagues today to congratulate Robert D. Ward for being selected as "Labor Leader of the Year" by the Central Labor Council, AFL-CIO Committee on Political Education. I would like to commend Bob for his dedication and commitment to furthering the goals and ideals of the labor movement. This award serves as a great tribute to all the hard work and long hours that Bob has put in over the years.

Bob has spent the better part of his life in Fresno, CA. He came to Fresno at the age of 7 years old and spent the next 10 years working on the family farm. In 1950 he graduated from Fresno High School and went on to work in the construction industry. In 1965 he was

accepted into the plumbers apprenticeship program and completed the program in 4 years. Bob started his plumbing career with Max Hayes Plumbing and Heating. For the next 16 years, Bob supervised many large commercial projects for Max Hayes.

In 1985, he was elected as business manager and financial secretary treasurer of the Plumbers, Pipe, and Refrigeration Fitters, U.A. local No. 246. In addition to this position, he also serves as secretary of local No. 246 Joint Apprenticeship Committee, member of the executive board of Fresno, Madera, Kings, and Tulare County Building Trades Council. If this were not enough, Bob also finds time to serve on the executive board of the Coalition of Organized Labor, as a delegate to Fresno, Madera County Central Area Development Commission and he serves as a labor trustee on the District Council of the No. 36 Pipe Trades Health and Welfare, Pension, and Apprenticeship Training Fund which consists of over \$100 million.

In addition to playing an active role as a local labor leader, 4 years ago Bob established a committee on political education with the support of the local No. 246 union members. Since the establishment of this committee, Bob has been very active in local, State, and Federal issues, as well as in individual campaigns.

When Bob has time he enjoys snow skiing, water skiing, golf and spending time with his family. He and his wife Sharon, who is a real estate agent with Coldwell Banker, have been married for almost 29 years. They have two daughters; Darci and Shelby. Darci is married to Attorney Brian Tatarian and they have two children. His daughter Shelby is a currently attending California State University of Fresno where she is a sophomore.

Mr. Speaker, I am pleased to rise before my colleagues today to recognize and pay tribute to the lifelong work of Bob Ward. His goals to help the public realize the importance of the union movement are truly laudable. It is a special tribute to be recognized as the "Labor Leader of the Year" by the Central Labor Council, AFL-CIO Committee on Political Education. I congratulate him wholeheartedly.

#### SALUTE TO NEW EAGLE SCOUTS

### HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. REED. Mr. Speaker, I rise today to salute two distinguished young men from Rhode Island who have attained the rank of Eagle Scout in the Boy Scouts of America. They are Phillips H.H. Hinch and Christian E. Smith of troop 2 in East Greenwich, and they are honored this week for their noteworthy achievement.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts do. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which are required from areas such as citizenship in the commu-

nity citizenship in the Nation, citizenship in the world, safety environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must demonstrate participation in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. Each of these four young men has distinguished himself in accordance with these criteria.

For his Eagle Scout project, Phillips Hinch led a group of Scouts in organizing a charity haunted house for St. Luke's Church in East Greenwich. Christian Smith led Scouts in organizing a blood drive at Swift's Gym in East Greenwich for his Eagle Scout project.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scouts Phillips Hinch and Christian Smith. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. This program has through its 80 years honed and enhanced the leadership skills and commitment to public service of many outstanding Americans, two dozen of whom now serve in the House.

It is my sincere belief that Phillips Hinch and Christian Smith will continue their public service and in so doing will further distinguish himself and consequently better their communities. I am proud that Phillips Hinch and Christian Smith undertook their Scout activity in my representative district, and I join friends, colleagues, and family who this week salute them.

#### TRIBUTE TO BERNARD WARACH

### HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GREEN of New York. Mr. Speaker, I rise today to commend my friend and constituent, Bernard Warach, founding executive vice president of the Jewish Association for Services of the Aged [JASA], who will officially retire on July 1, 1991. JASA will hold a reception in New York City in recognition of that occasion.

Bernard Warach has been an integral figure in the JASA organization since its inception in 1968 when it was created by the Federation of Jewish Philanthropies of New York. Under Mr. Warach's leadership, JASA has grown to become the largest community-based agency serving the aged in the United States. Its staff of 2,240 persons, network of 22 local multiservice centers, 26 senior citizen centers and 40 affiliated clubs enable JASA to provide comprehensive programs designed to help the aged in their own homes.

In addition to caring for the aged in a health-care capacity, JASA also provides a variety of other integral services. JASA offers legal counseling, manages seven elderly housing facilities, and lobbies for pro-seniors legislation.

Prior to his tenure with JASA, Mr. Warach was general director of the Associated YM-

YWHA's of Greater New York. His long career in social work included service with the U.S. Department of Agriculture, the United Nations Relief and Rehabilitation Administration Displaced Persons Program in Germany, and as program director of the Irene Kaufman Settlement House in Pittsburgh.

I am pleased to know that the Jewish Association for the Aged has chosen to honor Bernard Warach for dedicating 22 years of his life to the well-being of the Jewish elderly. I should like to extend my thanks to Bernie as well as offer him my very best for a happy and healthy retirement.

#### DOLPHIN PROTECTION

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LANTOS. Mr. Speaker, on Wednesday, May 15, the Congressional Friends of Animals held a briefing to address the issue of dolphin protection. Members of Congress, concerned citizens and front line troops in the battle to save these beautiful and intelligent creatures from slaughter were present at the forum. Thanks to their work, the world-wide awareness has been raised as to how pollution, captivity and inhumane fishing methods threaten to devastate dolphin populations.

Driftnet fishing fleets pose one of the greatest threats to dolphins today. At yesterday's forum, Christopher Croft, the legislative director of the Committee for Humane Legislation and Friends of Animals, discussed his personal experience aboard tuna vessels in the Eastern Tropical Pacific. His account of how dolphins were killed in the process of driftnet fishing was shocking.

The dolphin slaughter by tuna fleets is by far the largest killing of marine mammals in the world. Those guilty of this crime—and it is a crime under the Marine Mammal Protection Act—must be identified and punished.

H.R. 2152, a bill to enhance the effectiveness of the U.N. International Driftnet Fishery Conservation Program, would allow for stricter observance of provisions enacted to protect dolphins. I urge my colleagues to support it.

Working to stop driftnet fishing is one important step toward protecting dolphins. Working to overcome popular apathy is another; it may in fact be one of the greatest challenges facing those of us who strive to stop the killing. We have made inroads, but the battle has only started.

Mr. Speaker, the butchery of dolphins is a senseless crime that must be stopped. I ask that my colleagues in Congress work to remedy this disturbing situation. The days of those who wreak havoc on these beautiful creatures in the name of profit are numbered. The sooner, the better.

**BEGINNING FARMER AND  
RANCHER CREDIT ACT OF 1991**

**HON. TIMOTHY J. PENNY**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. PENNY. Mr. Speaker, today I am introducing, along with Representatives JOHNSON of South Dakota, DORGAN of North Dakota, STALLINGS, LEACH, THOMAS of Georgia, JONTZ, and GRANDY, the Beginning Farmer and Rancher Credit Act of 1991 to increase Farmers Home Administration [FmHA] Farmer Program borrower assistance to beginning farmers.

This legislation will: define a new category of FmHA-eligible beginning farmers and ranchers consistent with the 1990 farm bill; leverage private farm ownership lending through a new FmHA down payment loan; encourage cooperation between the FmHA and State beginning farmer programs; and earmark funds for the beginning farmer programs.

Getting started in farming today is a difficult task, and young farmers are becoming few and far between. During the 1980's, financial conditions slowed entry into farming and forced many younger farmers and ranchers to leave agriculture. The USDA's Economic Research Service estimates that as a result of farm financial difficulties, nearly half of all farm assets are owned by farmers who will be likely to retire in the next 10 years. The transfer of productive agricultural assets from retiring to aspiring farmers may be the most important agricultural credit issue we face in the coming years. In my own State of Minnesota, the average age of farmers is nearly 60 years.

Traditionally, the Farmers Home Administration [FmHA] has provided credit assistance to beginning farmers, and has helped to establish thousands of successful commercial farms and ranches. Recently, however, the FmHA has drifted away from its basic mission of providing modest and temporary credit assistance to beginning family-sized farms. During the difficult times of the 1980's, the FmHA used most of its resources to deal with the problems of previous agency and commercial borrowers, but largely ignored the credit needs of beginning farmers.

For that reason, I am introducing the Beginning Farmer and Rancher Credit Act of 1991. This bill would steer FmHA back to its basic mission of serving beginning farmers through various programs in a fiscally sound and responsible manner.

The act creates a new down payment loan option for farm ownership loans designed to leverage private financing with limited FmHA funds. The 10-year down payment loan would be 30 percent of the purchase price of the farm, with the beginning farmer required to put up 10 percent and arrange financing for the balance.

Several states are implementing their own beginning farmer programs that combine reduced interest rates for the purchase of land by young farmers with a retirement plan for retiring farmers. Some of these programs are based on tax-exempt aggie bonds. My bill would establish a new partnership between the FmHA and State beginning farmer pro-

grams. It directs the FmHA to make down payment loans available to qualified borrowers in the State programs, and to make State beginning farmer loans eligible for FmHA guarantees.

I believe that the Beginning Farmer and Rancher Credit Act would create new opportunities for our young and aspiring farmers, and help to maintain the American tradition of independent family farms.

**TRIBUTE TO REV. WILLIAM P.  
BARKER B'NAI B'RITH'S ANNUAL  
HUMANITARIAN AWARD RECIPIENT**

**HON. DON RITTER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. RITTER. Mr. Speaker, I rise today to pay tribute to Rev. William P. Barker, who was chosen by B'Nai B'Rith as their honoree for this year's Humanitarian Award, on May 29, 1991, in Allentown, PA.

Rev. William P. Barker was born in Pittsburgh, PA, February 14, 1927 to Rev. John B. Barker and spent his childhood in Ohio where his father served Presbyterian churches. He received his BA from Haverford College and his M. Div. and D. Min. from Pittsburgh Theological Seminary. Reverend Barker had graduate studies at the University of Edinburgh, Scotland and the University of Pittsburgh. He has received honorary degrees from Huron College [L.H.D.] and Muskingum College [D.D.] Reverend Barker has held pastoral and teaching posts in Pittsburgh before coming to Allentown in 1972 as head of the pastoral staff at First Presbyterian Church. He has been a visiting faculty member of Moravian Theological Seminary since 1980. Reverend Barker is the author of 13 books, the latest being "A Savior For All Seasons," 1986. He has been editor of Tarbell's Teacher's Guide since 1981.

His church and civic responsibilities have included serving on Synod Council, chair, Synod Ecumenical Relations Committee, various Presbytery committees in Lehigh and Pittsburgh Presbyteries; boards of directors of Pittsburgh Theological Seminary, Latrobe Die Foundation, Family Communications, Inc., Pastoral Institute of the Lehigh Valley, and numerous local agencies such as the Boy Scouts, YMCA, Red Cross, Swain School, Lehigh Valley Community Council, Hispanic-American Organization, United Way, Allentown City Human Relations Commission, B'Nai B'Rith Housing Corp.

Reverend Barker has traveled to India, Germany, Thailand, Scotland, Puerto Rico, Canada, and Australia at the invitation of church leaders, where he has taught or preached or led programs, as well as in the United States.

Mr. Speaker, please join me in applauding Reverend Barker for his many contributions not only to my constituency, but to the people of other nations as well. Through his selflessness, he has touched the lives of many. Through his kindness, he has healed many. Through his love of the church, he has taught many.

His reputation throughout the Lehigh Valley is one of peace seeking and peacemaking—for individuals communities and nations. He has dedicated his life to bringing peace to the lives of others.

Reverend Barker is a remarkable human being who is well deserving of the Humanitarian Award.

**TAIWAN CELEBRATES PRESIDENT  
LEE TENG-HUI'S FIRST ANNIVERSARY**

**HON. JOHN P. HAMMERSCHMIDT**

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. HAMMERSCHMIDT. Mr. Speaker, last May it was my honor to be a member of the official delegation from the United States to the inauguration of President Lee Teng-Hui in Taipei. I remember with pleasure the excitement and anticipation that permeated Taiwan as President Lee was inaugurated.

As May 20, 1991, marks the 1-year anniversary of this auspicious occasion, I would like to extend my congratulations to him and his people on their many accomplishments of the past year. I would also like to take this opportunity to highlight two areas where President Lee's leadership has been particularly prominent.

On the economic front, the last 12 months have shown a significant reduction in Taiwan's trade surplus with the United States. In 1989 the Republic of China had a \$12 billion trade surplus with our country. By the end of 1990 that surplus was decreased 23.9 percent to \$9.13 billion. The 1991 surplus is projected to shrink even more to \$6 billion.

Taiwan has also continued to open its door to international companies and business. Last year, as a result of bilateral trade consultations, several new United States banks and insurance companies were allowed into the Taiwan market. Beginning in 1991, foreign institutional investors are now able to undertake direct investment in the Republic of China's stock market. The Government has also responded to concerns raised in the international community regarding intellectual property rights. They have worked to better protect these rights through new laws, regulations and increased enforcement of these measures.

However, many would say that even these accomplishments pale when compared to the reforms initiated in the political arena. Building upon the movement which began when martial law was lifted in 1987, President Lee has continued to encourage democratic reform and participation in the political process. His leadership set the stage for the establishment of over 40 new political parties in the last year.

Most recently Taiwan has decided to terminate the 43-year-old "period of Communist rebellion" against its adversary—the Chinese Communists. This latest announcement is definitely a milestone in the Republic of China's democratic reform process. From now on, the Chinese Communists will be referred to as "Mainland Authorities," whereas they had previously been referred to as a "Rebel Group"

by Taipei. This is a major breakthrough in Taiwan-Mainland relations.

The President and his people still face many challenges ahead. With the reform of the national assembly slated for the end of this year and the next phase of constitutional reform scheduled for 1992, there will no doubt be many obstacles and hardships to overcome. However, I have confidence in the leadership and resolve of the people of Taiwan to rise to the occasion and continue to be an example of democracy and prosperity to the rest of the world.

My congratulations to you Mr. President and my best wishes for continued success.

TEXT OF A PAPER BY PROF.  
PHILIP A. GRANT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to bring to the attention of my colleagues the following paper, which was delivered by Prof. Philip A. Grant. Professor Grant delivered this paper, entitled "The 1948 Truman Campaign in Ohio," at the 1990 meeting of the Ohio Academy of History.

I hope my colleagues will find this paper as interesting and thought provoking as I did.

The material follows:

THE 1948 TRUMAN CAMPAIGN IN OHIO  
(By Prof. Philip A. Grant)

On July 14, 1948 incumbent Harry S. Truman was nominated by the Democratic Party as its candidate for President of the United States. Two weeks earlier the Republicans had chosen Governor Thomas E. Dewey of New York as their nominee. Although the two major parties had officially designated their respective candidates by the middle of July, the presidential campaign of 1948 did not actually begin until Labor Day.<sup>1</sup>

Between September 6 and November 2 the American people would be afforded the opportunity of evaluating the Democratic and Republican candidates. During these eight weeks both Truman and Dewey would travel throughout the nation, deliver formal addresses over the various radio and television networks, and issue a multitude of position papers on their campaign promises. The principal question of 1948 was whether the Democratic Party, having won four consecutive presidential elections with Franklin D. Roosevelt as the head of its ticket, would manage to retain the White House. The Republicans, surmising that a leadership vacuum had been created when Truman succeeded the late President Roosevelt in April 1945, were optimistic that they could persuade the citizens of the nation that the Democratic Party had been in power for an unjustifiably long period of time.<sup>2</sup>

Among the major states involved in the presidential election of 1948 was Ohio. Ohio, whose population had grown steadily during the years since the Census of 1940, in 1948 would be allotted twenty-five votes in the electoral college.<sup>3</sup> As the original state in the Old Northwest, Ohio was conspicuously wedged between the predominantly Democratic border states of West Virginia and

Kentucky and the traditionally Republican states of Michigan and Indiana. Ohio, having supported the victorious candidate in eleven of the twelve presidential contests since 1900, was regarded as a fairly reliable barometer of midwestern, if not nationwide, electoral sentiment.<sup>4</sup>

At the outset of the 1948 presidential campaign Ohio Republicans were convinced that Dewey stood an excellent chance of prevailing over Truman. First of all, they were elated by the results of the major public opinion polls, all of which projected that the New York Governor would defeat the President by a substantial margin.<sup>5</sup> Secondly, they realized that between 1936 and 1944 the Republican proportion of the presidential vote in Ohio had risen from 39.2 percent to 50.2 percent and that the number of counties carried by the G.O.P. presidential nominee had increased from eighteen to seventy-four.<sup>6</sup> Finally, they were genuinely encouraged by the facts that in 1946 Ohio had handily elected a Republican to the United States Senate and Republicans had won nineteen of twenty-three contests for the House of Representatives, including a race for Congressman-at-Large.<sup>7</sup>

Throughout the duration of the 1948 presidential race Dewey and Truman waged sharply contrasting campaigns. Dewey, realizing that he led the President in all the public opinion surveys, was extremely cautious in his public statements. Truman, conducting the most strenuous campaign since William Jennings Bryant in 1896, travelled to twenty-seven states, vigorously defended the policies with which the Democratic Party had been identified since the New Deal and repeatedly denounced the negativism of the Republican Party in general and the G.O.P. Eightieth Congress in particular. Dewey confined himself to seventy-seven addresses, thirty-nine of which were scheduled in New York State, while Truman delivered a total of two hundred and fifty-nine speeches, only ten of which were within his home state of Missouri. Dewey's speeches were rather lengthy and the New York Governor rarely deviated from his formal text. The bulk of Truman's speeches were delivered from the rear platform of his campaign train and were short, extemporaneous, and blunt.

In his initial Ohio campaign appearance Truman delivered a fiery speech at the railroad station in Toledo on September 6. On this occasion the President charged that the Republican Eightieth Congress had inflicted a substantial number and wide variety of "deadly blows" against the American people. Regretting that the G.O.P. majorities on Capitol Hill had approved the Taft-Hartley Bill "for the sole purpose of making it harder for organized labor to bargain for better wages and better living conditions," Truman accused the Republicans of conspiring with big business "to weaken organized labor." Truman, confident that he would attract the votes of the vast majority of union members, surmised that the nation's working people did not want to "go backward into the past with a lot of backward-looking Republicans who want to get control of this country for their own selfish interests." The Chief Executive also condemned the Republicans in the House and Senate for passing a tax bill "that helped the rich and hurt the poor" and for having cynically ignored the problem of the "outrageous prices" of retail goods needed by the American consumer.<sup>8</sup>

Truman returned to Ohio on October 11. Beginning an arduous day of campaigning at a breakfast meeting in Cincinnati. At this gathering the President denounced the Re-

publican Congress for "wrecking the hopes of the American people for fair labor laws, good housing legislation, and all the other progressive measures which we need so badly now." Urging his audience to examine the record of the G.O.P. Congress, Truman asserted:

"Republicans led the fight to destroy price control in 1946. They have led the fight ever since to prevent the restoration of controls which are so badly needed by the American people. They took the lead in putting handcuffs on labor. The Taft-Hartley Act in 1947 was a deliberate effort to weaken labor unions for the benefit of employers."

The President, noting that Governor Dewey had "made a good many headlines with clever talk about unity," complained that "we don't know what he means by unity because he won't tell the country where he stands on any of the issues in which the American people are deeply interested." Contrasting his views with the Republican campaign rhetoric, Truman concluded:

"... The kind of unity we need is unity for lower prices, unity for good housing at prices people can afford, unity for better labor-management laws, unity for strengthened and extended social security, unity for a national health program—unity, in other words, for a prosperous and progressive United States."<sup>9</sup>

After leaving Cincinnati, the President travelled northward by train, speaking at Hamilton, Dayton, Sidney, Lima, Ottawa, Deschler, Fostoria, Willard, and Rittman. Altogether Truman covered approximately three hundred and fifty miles, delivering his first speech shortly after 10:00 A.M. and completing his last address shortly before 7:00 P.M.

At Hamilton Truman stressed that he had "urged the Congress over and over again to pass a comprehensive housing law that would clear slums, build rural housing, and provide low-rent public housing," but deplored the fact that the Republicans had rebuffed his housing proposal "with malice afterthought" and "for the real estate lobby." The President at Dayton, stating that he had implored the Republican Congress "to pass price control laws that would give a break to the little people of the country," alleged that the Republicans were "only interested in those few at the top that don't need help—they would like to help them all the time." Insisting that the Republicans were "afraid to discuss the issues in this campaign because they are on the wrong side of those issues," Truman in Sidney explained that Republicans were "interested in obtaining power for the special interests of the country." At Lima Truman, blasting the Republican Congress for contriving "to turn the clock back," declared: "They began to take privileges away from the farmers, they began to take privileges away from labor, and they began to legislate for special privileges all down the line." The President at Ottawa claimed that the Republican Party was preoccupied with "looking after the interests of the big manufacturers of the East." Warning that the G.O.P. leaders were hoping that the electorate would "swallow the empty platitudes of the Republican candidates," Truman in Deschler refused to believe that "the American people want to turn their backs on the prosperity gained under a Democratic administration." Ridiculing Dewey for "talking in generalities," the President at Fostoria argued:

"We have got to have housing for our people. We have got to do something to get the price structure on a sound level so our work-

Footnotes at end of article.

ing people can buy from the farmers and the farmers can buy from the working people without the profiteers getting in the way. We have got to keep the prosperity we have gotten under the Democratic administration."

At Willard the Chief Executive, maintaining that the Republican presidential nominee and the Republican Congress did "not trust the people," took credit for trying "to get a decent housing bill passed" and for striving "to get something done about inflation that is picking your pockets." Truman in Rittman, affirming that "there is just one issue in this campaign and that is the issue of the people against special interests," stated:

"... You have no trouble finding out where I stand. You know what I stand for because I tell you very frankly what my position is, and I've been in a position where I have to act—and actions speak louder than words. The Republicans so far have only talked, and when they had a chance to act in the Eightieth Congress, they didn't act in the interests of the people. They acted in the interests of the special few. That has been their policy ever since they have been in existence."<sup>10</sup>

Truman climaxed his day of intensive campaigning in Ohio with a lengthy address at the Armory in Akron. The President, charging that "the Republicans have the money because the big corporations have found out they can get what they want from the Republican Party," insisted that the G.O.P. political leaders "never have liked the New Deal, and would like to get rid of it—repeal it—put it out of existence." Pledging to work for the repeal of the Taft-Hartley Act, Truman declared: "The Taft-Hartley law converts the Wagner Act from a charter protecting the basic rights of the workers into an instrument of union busting for antilabor employers." Urging the nation's working people "to act—and act quickly—if you want to save the benefits of the New Deal," Truman enumerated his following major objectives:

"I believe we should increase the minimum wage from forty cents an hour to at least seventy-five cents an hour.

"I believe social security benefits should be extended to large groups of people not now protected.

"I believe that the insurance benefits should be increased by approximately fifty percent.

"I believe we should expand our facilities for looking after the Nation's health.

"I believe that the Federal Government should provide aid to the States in meeting the educational needs of our children.

"I believe the Congress should provide aid for slum clearance and low-rent housing.

"I believe we should do something, at once, about high prices."<sup>11</sup>

Truman's third visit to Ohio occurred on October 26. After delivering morning speeches in South Bend and Elkhart, Indiana, the President entered Ohio shortly after noon. During the afternoon he spoke successively in Toledo, Sandusky, and Elyria. Truman ended his day of autumn campaigning with an evening address at the Municipal Auditorium in Cleveland.

At Toledo, urging "better health and medical facilities—more hospitals, more doctors, more nurses—paid through a system of regular insurance" and "more and better schools, more and better homes in American towns and cities and on American farms," the President charged that the Republicans opposed "every forward-looking measure that

Franklin Roosevelt brought forward—and they haven't changed a bit." Strongly advocating national health insurance, federal aid-to-education, and a comprehensive housing program, Truman in Sandusky declared: "Now I have faced at least six million people in these United States and have explained to them just exactly how I stand on every fundamental issue before the people today. Now if you can get the Republican candidate to do that, you are good. He hasn't been able to tell anybody what he stands for."

At Elyria the Chief Executive, accusing his Republican challenger of "trying to pretend that there aren't any issues," contrasted the record of the Republican and Democratic Parties as follows:

"One of the big reasons why the American people have prospered since 1933 is because they have received the active support of the Government. The Democratic Party has always believed in working for the people and with the people. The Republican Party doesn't believe that. They worked against the people for twelve years from 1921 to 1933, and as a result we got the worst depression in the history of this country. And when the Republicans got control of the Eightieth Congress two years ago they proved they haven't changed a bit. They began working against you and began working for special interests."<sup>12</sup>

Truman's Cleveland speech lasted longer than an hour. Hailing the heritage of the Democratic Party as "a story of a better, healthier, happier life for all Americans," the President disparaged the Republican record "of obstruction, objection, and reaction from the days of the Hoover depression to the end of the Eightieth Congress." As to the outcome of the presidential election of 1948, Truman posed the following basic question: "Do you want government for all the people, or do you want government for the privileged few?" Reminding his audience of "the smokeless smokestacks, the idle plants, the closed banks, the long breadlines, the soup kitchens" of 1932, the President credited the Democratic Party for having "lifted the Nation from the worst depression it has ever known, under the leadership of Franklin D. Roosevelt." Regretting that the Democrats were "spending so much time preventing the Republicans from turning the clock back," Truman concluded:

"It was the Democratic Party that inspired and inaugurated a program of social legislation that restored democratic government to its proper place as the servants of the people and not the agent of the privileged few.

"The Democratic Party stands ready to serve the Nation—ready to serve all citizens and not just the vested interests, ready to carry on its 'fundamental philosophy' that has done so much good for the people of the United States in the last sixteen years."<sup>13</sup>

After leaving Cleveland on the late evening of October 26, Truman scheduled three days of virtually uninterrupted campaigning in the northeastern states of Massachusetts, Rhode Island, Connecticut, and New York. Truman spoke in Boston, Providence, Hartford, New Haven, and New York City and several medium sized cities, delivering a total of twenty-eight speeches.

On October 30 the President began his return trip to Missouri, where he would complete the preparation of a nationwide radio address from his home in Independence on election eve. While crossing Ohio by rail, Truman decided to deliver one of his final rear platform campaign speeches in

Bellefontaine. The Chief Executive asserted that the American people wanted a government that was "run in the interest of all the people, and not just a few." Denouncing the G.O.P. Congress' hostility toward the labor movement, Truman excoriated the Republicans for trying to emasculate the Wagner Act "so far as they thought they could possibly go—and they had to do that over my veto." Moreover, the President alleged that Republicans on Capitol Hill had "started in on the farm program, to make a travesty out of that." Truman ended his last campaign appeal in Ohio as follows:

"I am asking you only to look out for your own interest on election day. Your interest is the interest and welfare of this great country. All you have to do is to exercise the privilege which the Constitution gives you, and that is to vote.

"If you will all vote, I won't have any worry about the result, for the simple reason that you can't vote but one way, if you vote in your own interest."<sup>14</sup>

Between September 6 and October 30 Truman came to Ohio on four separate occasions. The President delivered a total of seventeen addresses in the Buckeye State, a number exceeded only by his twenty-six speeches in New York. Truman made personal appearances in nearly every major urban center between the Ohio River and Lake Erie, visiting counties containing more than sixty percent of Ohio's population. Truman's vigorous effort to win Ohio was in no way duplicated by Dewey. Indeed the New York Governor confined his 1948 campaign activities in Ohio to a mere one address.

The Gallup Poll, the New York Times, and U.S. News and World Report agreed that Truman would lose Ohio to Dewey in 1948. Although there were slight variations in the five Gallup surveys released between late September and early November, the following figures pointed to a Dewey victory in the Buckeye State:

[In percent]		
	Dewey	Truman
September 19 .....	50	38
October 8 .....	51	42
October 18 .....	51	42
October 29 .....	54	43
November 1 .....	55	42

The Times, after carefully reviewing all aspects of the political situation in Ohio, in late October projected that Dewey was "certain" to carry the state by a substantial plurality. U.S. News and World Report, having determined that Dewey was "assured" of Ohio's twenty-five electoral votes in early October, in its final pre-election analysis listed Ohio as one of the states definitely in the Dewey column.<sup>15</sup>

The early returns on November 2 indicated an extremely tight race between Truman and Dewey. The President was winning handily in most of Ohio's urban communities, while the New York Governor was sweeping nearly all of the states dozens of rural counties. By midnight Truman was leading Dewey by approximately ten thousand votes, a margin which conceivably could be erased. It was not until the following afternoon that Truman's victory in Ohio was finally confirmed. The official figures, released several days after the ballots were actually cast, were as follows: Truman, 1,452,791; Dewey, 1,445,684.

The 1948 presidential race in Ohio resulted in an extraordinarily thin Truman plurality. A shift of only 3,554 votes would have reversed the outcome in Ohio. The citizens of Ohio participated in the closest presidential election in their state's history, a contest in

which Truman prevailed by his narrowest statistical proportion of any state.<sup>1</sup>

## FOOTNOTES

<sup>1</sup>Richard C. Bain and Judith H. Parris, "Convention Decisions and Voting Records" (Washington: The Brookings Institution, 1973), pp. 268-277; John J. Runyon, Jennifer Verdini, and Sally S. Runyon, "Source Book of American Presidential Campaign and Election Statistics, 1948-1968" (New York: Frederick Ungar Publishing Company, 1971), pp. 28-30, 35-37, 142-148; Times, New York, N.Y., June 25, 1948, pp. 1, 2, 3, 4; July 15, 1948, pp. 1, 3, 4, 5.

<sup>2</sup>Detailed accounts of the presidential election of 1948 may be found in the following works: Richard O. Davies, "Housing Reform during the Truman Administration" (Columbia: University of Missouri Press, 1966), pp. 96-100; Robert J. Donovan, "Conflict and Crisis: The Presidency of Harry S. Truman, 1945-1948" (New York: W. W. Norton and Company, Inc., 1977), pp. 395-439; Alonzo L. Hamby, "Beyond the New Deal: Harry S. Truman and American Liberalism" (New York: Columbia University Press, 1977), pp. 243-265; Susan M. Hartman, "Truman and the Eightieth Congress" (Columbia: University of Missouri Press, 1971), pp. 202-210; Richard S. Kirkendall, "Election of 1948, 'History of American Presidential Elections, 1789-1968'" (4 vols.; New York: Chelsea House Publishers, 1971), IV, 3099-3211; R. Alton Lee, "Truman and Taft-Hartley" (Lexington: University of Kentucky Press, 1966), pp. 131-154; George H. Mayer, "The Republican Party, 1854-1964" (New York: Oxford University Press, 1964), pp. 470-474; Richard N. Smith, "Thomas E. Dewey and His Times" (New York: Simon and Schuster, 1982), pp. 503-539.

<sup>3</sup>Between 1940 and 1950 Ohio's population had increased from 6,907,612 to 7,946,627 (14.5 percent). Only New York, Pennsylvania, and Illinois would cast more electoral votes than Ohio in 1948.

<sup>4</sup>Svend Petersen, "A Statistical History of the American Presidential Elections" (New York: Frederick Ungar Publishing Company, 1963), pp. 61-101.

<sup>5</sup>Dewey led Truman in all nine nationwide Gallup Polls conducted between July 18 and November 1. In these Gallup surveys the New York Governor was ahead of the President by margins ranging from 49.5 percent-44.5 percent to 53 percent-41 percent. The Roper organization, which in August had estimated that Dewey would defeat Truman 46.3 percent-31.5 percent, in September suspended its polling after concluding that Dewey was certain to win the presidential election. George H. Gallup, "The Gallup Poll, 1935-1948" (New York: Random House, 1971), pp. 745, 749, 750-751, 753, 757, 761, 764, 765; Elmo Roper, "You and Your Leaders: Their Actions and Your Reactions, 1936-1956" (New York: William Morrow and Company, 1957), pp. 134, 146; Times, New York, N.Y., September 10, 1948, p. 17.

<sup>6</sup>Richard M. Scammon (comp.), "America at the Polls: A Handbook of American Presidential Election Statistics, 1920-1964" (Pittsburgh: University of Pittsburgh Press, 1965), pp. 348-351.

<sup>7</sup>In 1946 Republican John W. Bricker had been elected to the United States Senate, defeating his Democratic opponent 1,275,774-947,610 and Republican Congressman-at-Large George H. Bender had been re-elected, outpolling his Democratic challenger 1,281,864-871,689. "Guide to U.S. Elections" (Washington: Congressional Quarterly, Inc., 1985), pp. 627, 965; United States Congress, "Congressional Directory, 1947" (Washington: United States Government Printing Office, 1947), pp. 96-102; Times, New York, N.Y., November 6, 1946, p. 15; November 7, 1946, p. 16.

<sup>8</sup>"Public Papers of the Presidents of the United States: Harry S. Truman, 1948" (Washington: United States Government Printing Office, 1964), pp. 473-475; Times, New York, N.Y., September 7, 1948, p. 18; Post, Washington, D.C., September 8, 1948, p. 3.

<sup>9</sup>"Public Papers of Presidents, 1948," pp. 725-728; Times, New York, N.Y., October 12, 1948, pp. 1, 18, 19.

<sup>10</sup>"Public Papers of Presidents, 1948," pp. 728-742; Journal-News, Hamilton, Ohio, October 12, 1948, pp. 1, 16; Daily News, Sidney, Ohio, October 11, 1948, pp. 1, 6; News, Lima, Ohio, October 12, 1948, p. 1, 3; Review-Times, Fostoria, Ohio, October 12, 1948, p. 1.

<sup>11</sup>"Public Papers of Presidents, 1948," pp. 742-748; Post, Washington, D.C., October 12, 1948, pp. 1, 7.

<sup>12</sup>"Public Papers of Presidents, 1948," pp. 857-863; Chronicle-Telegram, Elyria, Ohio, October 27, 1948, pp. 1, 2; Register, Sandusky, Ohio, October 27, 1948, p. 1.

<sup>13</sup>"Public Papers of Presidents, 1948," pp. 863-868; Times, New York, N.Y., October 27, 1948, pp. 1, 20.

<sup>14</sup>"Public Papers of Presidents, 1948," pp. 930-931; Examiner, Bellefontaine, Ohio, October 30, 1948, pp. 1, 5.

<sup>15</sup>"Gallup Poll, 1935-1948," pp. 758, 762, 764, 765, 766; Times, New York, N.Y., October 25, 1948, pp. 1, 14; October 31, 1948, pp. 1, 51; U.S. News and World Report, October 8, 1948, pp. 22-24; October 29, 1948, pp. 11-14.

<sup>16</sup>The election statistics from five of Ohio's major counties were as follows:

	Truman	Dewey
Cuyahoga County	237,858	214,889
Summit County	78,196	60,174
Montgomery County	76,879	60,048
Mahoning County	62,468	37,345
Trumbull County	37,097	25,297
Total	512,598	397,753

### H.R. 1527: LEGISLATION ALLOWING BELL CO. PARTICIPATION IN TELECOMMUNICATIONS EQUIPMENT MANUFACTURING—HELPING THE U.S. ECONOMY BY HELPING SMALL TELECOMMUNICATIONS MANUFACTURERS

#### HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. SLATTERY. Mr. Speaker, section II(D)(2) of the modification of final judgment [MFJ] entered in settlement of the Federal Government's 1974 antitrust lawsuit against AT&T, prohibits the seven regional Bell Operating Cos. [BOC's] from engaging in telecommunications manufacture. It states in relevant part:

[N]o BOC shall, directly or through any affiliated enterprise \* \* \* manufacture \* \* \* telecommunications products or customer premises equipment.<sup>1</sup>

On the surface, this one sentence ban against telecommunications manufacture by BOC's may appear benign to small telecommunications manufacturers, but in practice it is devastating to them and, as a result, to our Nation's economy. Section II(D)(2) severely harms small companies that make telecommunications equipment because, as a practical matter, it reduces their flexibility to engage in numerous traditional methods of industrial collaboration with their largest customers, the BOC's.<sup>2</sup> And, by severely handicapping small manufacturing companies, the provision injures U.S. global competitiveness and employment because vibrant entrepreneurship is essential to ensure U.S. leadership in the important telecommunications manufacturing industry and is necessary to guarantee growing employment throughout the economy.

In order to promote U.S. entrepreneurship in the U.S. telecommunications manufacturing industry and thus to improve our Nation's economy, Congress should enact H.R. 1527, legislation introduced by me and Representative BILLY TAUZIN that would eliminate the impediments on business freedom that section II(D)(2) effectively places on small manufacturers. Very similar legislation, S. 173, has been introduced by Senate Commerce, Science, and Transportation Committee Chairman ERNEST HOLLINGS.

Footnotes at end of article.

I. THE BAR AGAINST BOC MANUFACTURING HARMS SMALL U.S. EQUIPMENT MAKERS BY SEVERELY RESTRICTING THEIR BUSINESS PRACTICES

The prohibition on BOC manufacture of telecommunications equipment contained in section II(D)(2) bars an extraordinary breadth of normal business relationships involving small telecommunications manufacturing companies. For example, a small manufacturing company cannot enter into a joint venture with a BOC customer under which the two companies would design a new telecommunications product because the court has held that "manufacture," which is the activity from which the BOC's are barred, includes numerous activities leading up to product fabrication, including design and product development.<sup>3</sup>

Moreover, section II(D)(2) has a substantial chilling effect on the development of a variety of manufacturer/customer relationships that are common in other industries because of uncertainty about whether the relationship would be lawful. For example, AT&T—a principal beneficiary of section II(D)(2), has asked U.S. District Court Judge Harold Greene, who enforces the MFJ, to prohibit the BOC's from providing a small manufacturer with venture capital financing for product development pursuant to a contract in which the BOC would make a profit only to the extent the manufacturer successfully develops and sells the product on the open market.<sup>4</sup> Judge Greene has not yet ruled on whether this type of business arrangement, so common in other industries, is lawful if a BOC is involved. While many BOC's believe that section II(D)(2) should not be construed to bar this kind of arrangement, the uncertainty surrounding its lawfulness indisputably chills the development of such relationships between manufacturers and BOC's. There are other examples of section II(D)(2)'s chilling effect on the development of cooperative business dealings between manufacturer and BOC. For instance the Justice Department has contended that section II(D)(2) prohibits the BOC's from purchasing anything more than 5 percent of a manufacturing company's stock in order to provide equity financing for the company.<sup>5</sup>

A legal restriction that acts to prohibit or chill the development of close business relationships between small manufacturing companies and their largest customers not only is irrational intuitively, it also conflicts with a growing recognition throughout numerous manufacturing industries that close interaction between manufacturer and customer may be essential in the future in order for a manufacturer economically to survive.<sup>6</sup> Indeed in the telecommunications manufacturing industry specifically, there is considerable evidence that manufacturers are severely handicapped economically unless they are allowed to work closely with their customers.<sup>7</sup>

Evidence abounds that the restrictions imposed on the BOC's by section II(D)(2) have seriously hurt small manufacturing companies:

Contrary to the claims of AT&T and its supporters, the number of U.S. telecommunications manufacturing companies is substantially unchanged since 1984, when section II(D)(2) became effective, notwithstanding a massive increase in the demand for such equipment.<sup>8</sup>

The owners of small telecommunications manufacturing companies are selling their companies to foreign buyers in increasing numbers. Between April 1988, and April 1990, for example, foreign enterprises signed contracts to acquire 28 small U.S. telecommunications manufacturers.<sup>9</sup> By contrast, only 15 U.S. telecommunications manufacturing companies were sold to foreign enterprises in the entire preceding 4-year period.<sup>10</sup>

The chief executive officers of several entrepreneurial manufacturing companies have come forward with concrete evidence describing how their own companies have been harmed as a result of section II(D)(2). For example, Larry Green, president of Protocol Engines, Inc., has told Congress that his company discontinued making telecommunications equipment because of section II(D)(2).<sup>11</sup> William J. Hilsman, chairman of International Mobile Machines Corp. (IMM), has stated that his company entered into a venture involving a large European-based telecommunications company after efforts by BellSouth to structure a similarly beneficial business arrangement with IMM failed due to section II(D)(2).<sup>12</sup> George Sollman, president of Centigram Corp., has informed congressional leaders that his company obtained equity financing from several foreign-based telecommunications companies after efforts to structure a financing arrangement with Ameritech and BellSouth failed due to section II(D)(2).<sup>13</sup> Mark Smith, president of Adtran Corp., has told congressional leaders that because his company's 50 product design engineers are permitted to work closely with foreign companies in designing new products, his overseas business is booming, but because section II(D)(2) prohibits close interaction with his biggest U.S. customers—the BOC's—his U.S. business is growing more slowly than it should.<sup>14</sup>

At the time of this writing, 32 entrepreneurial telecommunications manufacturing companies have stated that they support H.R. 1527 and S. 173, which would eliminate the restrictions imposed by section II(D)(2). These companies have a combined work force of nearly 7,000 and combined annual revenues of nearly \$1.3 billion. In addition, they make a wide variety of telecommunications products for the telephone industry, and they are headquartered across the United States, as reflected in the list following the notes accompanying this statement.

II. BY HARMING SMALL U.S. MANUFACTURING COMPANIES, SECTION II(D)(2) INJURES THE U.S. ECONOMY BECAUSE ENTREPRENEURS HAVE A SUBSTANTIAL POSITIVE EFFECT ON U.S. COMPETITIVENESS AND EMPLOYMENT

By restricting the ability of the BOC's to collaborate closely with small telecommunications manufacturing companies, section II(D)(2) complicates the ability of this country to remain competitive in the telecommunications industry because small telecommunications manufacturers are more innovative than their larger competitors, as several examples demonstrate. Industries with proportionally larger numbers of small firms obtain proportionally more patents than industries with relatively fewer small firms.<sup>15</sup> Moreover, a typical small business invests a larger percentage of net sales revenues into research and development than its larger competitors.<sup>16</sup> In addition, there is clear evidence that entrepreneurs in telecommunications manufacturing make a more

significant contribution to the development of innovative new telecommunications products than entrepreneurs in many other industries.<sup>17</sup> Restricting the business freedom of small telecommunications manufacturers also plainly harms our country's competitiveness since nearly half of a typical product's value is added by small businesses and more than 12 percent of all exports are made directly by entrepreneurial companies.<sup>18</sup>

Stifling the growth of small manufacturing companies by restricting their business freedom plainly reduces employment levels throughout the Nation's economy because the vast majority of U.S. employees work for small business and the vast majority of new job creation occurs in small business. For example, in 1988 more than 77 percent of American workers were employed by small business, and more than 72 percent of workers in the telecommunications, transportation, and public utilities industry sector alone were employed by small business.<sup>19</sup> Moreover, between 1981 and 1985, 88 percent of all new jobs were in small businesses,<sup>20</sup> and in the decade ending in 1986 more than 1.3 million new jobs were created by small manufacturers while only 100,000 new jobs were created by large manufacturers.<sup>21</sup>

In conclusion, Congress should enact legislation such as H.R. 1527 and S. 173 in order to remove the shackles that section II(D)(2) of the MFJ places on the ability of the BOC's to closely collaborate with small manufacturers; removing those shackles will improve the level of entrepreneurship in the telecommunications equipment manufacturing industry; it also will increase U.S. competitiveness and stimulate employment throughout the economy.

Recently, 32 small- and mid-sized telecommunications equipment manufacturers endorsed H.R. 1527, recognizing that the Bells will bring to the industry the technical expertise and capital investments necessary to help these companies grow:

COMPANY, LOCATION, AND EQUIPMENT DEVELOPED

Protocol Engines, Inc., CA, software for facilitating high speed data transmission.  
Eagle Telephonics, Inc., NY, telephones.  
Voice Control Systems, TX, voice processing technology (including voice processing and voice recognition).  
ICOM America, WA, miscellaneous.  
Cobotyx, CT, robot reception and voice mail equipment.  
Advanced Electronic Applications, Inc., WA, miscellaneous.  
PairGain Technologies, Inc., CA, equipment to increase use and quality of transmissions on telephone copper wire.  
International Mobile Machines Corp., PA, digital radio transmission equipment.  
Eldec Corp., WA, miscellaneous.  
URIX Corp., PA, equipment necessary to provide "900" and "976" services.  
Summa Four, Inc., NH, call accounting and programmable network interface equipment for enhanced services.  
Applied Voice Technology, Inc., WA, voice and call processing equipment.  
Centigram Communications Corp., CA, voice messaging equipment.  
Superior Teletec, GA, TX, NH, telephone cable and test equipment.  
FlowMole, WA, miscellaneous.  
TeleSciences, Inc., NJ, manufacturer and distributor of various equipment, including

Centrex SMDR systems, network management and analysis systems, pay telephone retrofit kits and digital microwave and lightweight transmission systems.

Crest Industries, Inc., WA, miscellaneous.  
Integrated Network Corp., NJ, multiplexing equipment, data switching equipment, and T1-Mux equipment.

Everett Sound Machine Works, Inc., WA, miscellaneous.

Shared Resource Exchange, Inc., TX, customer premises equipment and telephone central office switching equipment.

Meteor Communications Corp., WA, meteor burst communications technology.

Adtran, AL, transmission equipment and modems.

Biddle Instruments, PA, cable locating equipment and miscellaneous testing equipment.

Racon, Inc., WA, microwave transmission equipment.

Solid State Systems, Inc., GA, automated call distribution equipment.

International Teleservices Inc., PA, pay telephones.

Silicon General, Inc., CA, transmission equipment.

Nicolett Technologies, MN, voice recognition technology.

Corinth Manufacturing Co., MS, telephones.

Frontier Communications, Corp., NY, miscellaneous.

Teltrend, IL, transmission equipment.

Multipoint Networks, Inc., CA, digital radio transmission equipment.

FOOTNOTES

<sup>1</sup>U.S. v. American Telephone and Telegraph Co., 552 F. Supp. 131, 227 (D.D.C. 1982), *aff'd*, 460 U.S. 1001 (1983).

<sup>2</sup>By its literal terms, Section II(D)(2) applies not only to the BOC's but also to "affiliated enterprises" of a BOC. As shown below, a small manufacturer could easily become an "affiliated enterprise" of a BOC by entering into various normal arm's-length business relationships with a BOC. As a result of constraining the normal business practices of BOCs, Section II(D)(2) indirectly restricts the business freedom of small manufacturing companies by making it difficult and sometimes impossible for them to engage in a variety of beneficial business relationships with BOCs.

<sup>3</sup>U.S. v. Western Electric Co., 675 F. Supp. 655 (D.D.C. 1987), *aff'd*, 894 F.2d 1387 D.C. Cir. 1990).

<sup>4</sup>"AT&T's Opposition to Motion for Declaratory Ruling Regarding Receipt of Royalties on Third-Party Sales of Telecommunications Products," Civil Action No. 82-0192 (D.D.C. Jan. 4, 1988).

<sup>5</sup>See, e.g., "Motion of U.S. for a Declaratory Ruling Regarding the Receipt of Royalties of Third-Party Sales of Telecommunications Products" at 8, Civil Action No. 82-0192 (D.D.C. Jan. 4, 1988).

<sup>6</sup>See R. Howard, *Can Small Business Help Countries Compete?*, Harvard Business Review at 88, (Nov./Dec. 1990); W. Ouchi, *The Logic of Joint Research and Development*, California Management Review at 9 (Spring 1988). See also *Making Things Better: Competing in Manufacturing*, Office of Technology Assessment at 160 (Feb. 1990).

<sup>7</sup>See R.E. Olley, *The Process of Technology Transfer and Application in Telecommunications: A Case Study*, in D. Sahal (Hrsg.), *The Transfer and Utilization of Technical Knowledge*, Lexington, 1982; R.G. Noll, B.M. Owen, *United States v. AT&T—The Economic Issues*, Stanford University, *Studies in Industry Economics*, Discussion Paper No. 140, December 1987. The Antitrust Revolution, Scott Foresman, 1988; D.C. Mowery, *Forecasts of the Impact of Divergence on Bell Telephone Laboratories: an Assessment*, presented at Telecommunications Policy Research Conference, Airlie House, September 27-30, 1987; L. Waverman, *R&D and Preferred Supplier Relationships: The Growth of Northern Telecom*, paper presented at the Conference of the International Telecommunications Society at Venice, March, 1990.

<sup>8</sup>Telephone company procurement departments have identified 976 suppliers of telecommunications equipment to the telephone industry, but it appears that at least 200 of these companies are either dis-

tributors rather than manufacturers or are foreign-based, rather than U.S. based, manufacturers. See *Telephony's Buyers' Guide* (1990-91 ed.). A similar number of U.S. manufacturers existed in the mid-1990s.

<sup>9</sup>Testimony of International Mobile Machines Corp. before the Subcommittee on Telecommunications and Finance of the Committee on Energy and Commerce, U.S. House of Representatives (July 24, 1989).

<sup>10</sup>*Id.*

<sup>11</sup>Letter from Larry Green to Hon. Thomas J. Bliley, Jr. (March 6, 1990).

<sup>12</sup>See, e.g., Written Statement of International Mobile Machines Corp. before House Subcommittee on Telecommunications and Finance of the Committee on Energy and Commerce at 7 (July 24, 1989); see also Statement of John L. Clendenin, Chairman and Chief Executive Officer of BellSouth Corp. before the Subcommittee on Communications of the Senate Committee on Commerce, Science and Transportation at 3-4 (April 25, 1990).

<sup>13</sup>Letter from George Sollman to Hon. Thomas J. Bliley, Jr. (March 7, 1990).

<sup>14</sup>Letter from Mark Smith to Hon. Howell Heflin (April 12, 1991).

<sup>15</sup>See Rothwell and Zegveld, *Innovations in the Small and Medium Sized Firms*, Frances Pitner (1982).

<sup>16</sup>Acs and Audretsch, *Innovation and Small Firms*, MIT Press, at 59 (1990).

<sup>17</sup>Statistics demonstrate that 20 percent of the patents obtained in the telecommunications manufacturing sector actually are incorporated into new products whereas a substantially smaller percentage of patents obtained by entrepreneurs in other industries are incorporated into new products. See Acs and Audretsch, *Innovation and Small Firms*, supra n. 16, at 59. See also, C. Freeman, *The Economics of Industrial Innovation 2d*, MIT Press (1982) (stating that entrepreneurs in industries with the economic attributes of telecommunications manufacturing (i.e., industries that rely heavily on skilled labor and are dominated by a handful of large firms) almost always are substantially more innovative than entrepreneurs in industries without these characteristics).

<sup>18</sup>*Small Business Exports of Manufacturing Products 1985*, Office of Advocacy, U.S. Small Business Administration, at 8 (Dec. 1988).

<sup>19</sup>U.S. Small Business Administration, *Small Business Data Base*, USEEM file.

<sup>20</sup>D. Birch, *Job Creation in America*, at 16, Collier MacMillan Publishers (1987).

<sup>21</sup>Acs and Audretsch, supra, n. 16, at 151.

#### A TRIBUTE TO RECAP

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GILMAN. Mr. Speaker, I rise today to pay tribute to the Regional Economic Community Action Program [RECAP] of Orange County, NY, for its outstanding efforts to develop and produce housing for low-income Americans.

RECAP, a not-for-profit organization in my congressional district and 1 of the 6 nonprofit organizations that will receive an award of excellence from the Fannie Mae Foundation, has devised a strategy to re-channel public funds presently being spent to house families in welfare hotels into permanent decent housing and to provide supportive services. In doing so, RECAP acquired 13 scattered-site properties, with some rehabilitation required, to house homeless families.

Mr. Speaker, the award of excellence to be received by RECAP is especially distinctive in that the award-winning projects were selected from a field of over 100 applications by a national advisory committee of housing and community development experts and the winning projects are to receive grants of \$25,000 each to be used to further their housing efforts.

At a time when Federal and State resources are few and far between it is gratifying to learn that the grantees to be honored used a creative mix of public and private resources to better house low-income families and individuals in 1990. Their projects are inspirational examples of how local communities throughout America, urban and rural, can provide decent and affordable housing to all Americans while fostering vital neighborhoods.

Mr. Speaker, at this time I am also pleased to bring to your attention the expansion of the Fannie Mae Foundation's efforts to support housing for all low-income Americans. The Fannie Mae Foundation intends to make \$2 million in grants in 1991 to national and local organizations striving to increase the quality and quantity of affordable housing. In fact, the foundation has already committed more than \$1 million in grants this year to such organizations as the Local Initiatives Support Corporation and the Enterprise Foundation to assist local housing efforts and to support homeownership. In addition, to increase the supply of low-income housing developed by nonprofit groups, the foundation will devote at least 50 percent of its annual grants budget to such efforts. By 1993, this support is expected to reach \$4 million annually.

Accordingly, Mr. Speaker, I invite all of us here in the Chamber today to recognize the outstanding efforts displayed by RECAP and I urge that we continue to support the Fannie Mae Foundation.

#### SANDY NOTEBOOM: ROSS TOWNSHIP SUPERVISOR

### HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to a very special friend and constituent of mine, Ms. Sandra "Sandy" S. Noteboom on the occasion of her retirement as Ross Township supervisor.

Sandy was first elected to political office in 1968 as trustee on the Village of Augusta Board and is leaving behind a remarkable legacy as a public servant. She served the village in a number of capacities, including police commissioner, fire commissioner, and vice president of the village council, until 1978 when she was elected to the Kalamazoo County Board of Commissioners. Recognizing Sandy's hard work and dedication, her fellow commissioners elected her as chairman of the board in 1981. Her advocacy on behalf of the community also extended to the Galesburg-Augusta School Board where she was elected as the first female president in 1985. Sandy began her career in township government when she was appointed as the township treasurer in 1982, where she continued to serve until her appointment and subsequent election as the first female township supervisor in 1986—the position from which she is now leaving.

Sandy Noteboom has contributed countless hours to serving the residents of the Village of Augusta, Ross Township, and the County of Kalamazoo. The care and concern that have

always been present in her approach to local problems have endeared her to those she has served. She is the very definition of a public servant. At a time of deep cynicism about our political system, Sandy continues to exemplify the very best in grassroots democracy.

It has been a joy to work with Sandy Noteboom these past several years. I know my colleagues will want to join with me in congratulating Sandy Noteboom for her successful leadership throughout her political career, and in wishing her continued success and happiness in the years ahead.

#### SOVIET UNION'S EMIGRATION POLICIES

### HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. HUGHES. Mr. Speaker, during the past few years there has been a dramatic improvement in the Soviet Union's emigration policies regarding Soviet Jews. However, we cannot forget the many Soviet Jews who are still subject to arbitrary harassment and denial of emigration privileges. For this reason, I am joining many of my colleagues in the Congressional Call to Conscience Vigil for Soviet Jews.

The Union of Councils for Soviet Jews has brought to my attention the case of Mr. Moses Iskin of Leningrad. Mr. Iskin initially applied to emigrate in 1979. At that time, he was told that he would have to wait 10 years before applying again. The apparent reason for his rejection was his job as a physicist at the defense industry's Admiralty Plant. However, since 1972 this plant has produced ships for sale to neutral countries, and at least four of Mr. Iskin's coworkers have been permitted to emigrate.

Mr. Iskin's daughters and grandchildren currently reside in the United States. He suffered a heart attack in 1977, and has been unable to work since he underwent heart surgery last year. He has repeatedly applied for permission to emigrate, yet his last attempt in February, 12 years after his initial application, was rejected, and he was told to wait until 1993 before even applying again.

There is no reason to keep Mr. Iskin and his wife, Nina, apart from their children and grandchildren. I hope that my colleagues will join me in urging the Soviet Government to grant this man's request to be reunited with his family.

#### HONORING AFL-CIO LOCAL 463

### HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. ACKERMAN. Mr. Speaker, I would like to take this opportunity to pay tribute to local 463 of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO, which on May 17 will be celebrating its 40th anniversary of great work for its members.

Local 463 was founded in the struggle for American trade unionism against the Communist dominion in 1951. It has been dedicated to the rights of workers and has maintained high standards of leadership in many issues. The union has organized thousands of workers and in doing so has raised wages, fought for greater benefits and improved conditions at the workplace. Local 463's record on civil rights and worker education is outstanding.

Their foremost accomplishment has been the establishment of a pension plan, now with assets of \$44 million, which provides good pensions to workers employed in small shops who otherwise would have none. Additionally, their health plan, established in 1957, provides a broad range of hospital, medical, drug and dental benefits to their members and families. These two aspects work toward planning for people's future and helping to manage the ever increasing costs of health care.

Mr. Speaker, I would like my colleagues in the House of Representatives to join me in congratulating local 463 on 40 years of remarkable service. We wish them the best in continuing their good work for many years to come.

1991 TEACHER'S BONUS AWARD WINNERS

**HON. WILLIAM O. LIPINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. LIPINSKI. Mr. Speaker, in order for our educational institutions to progress and face the demands of tomorrow, it is necessary to focus on the work of our teachers. Our teachers, who are the educators and essential components of our educational system, need to be recognized. To assist in this effort, I have initiated the Fifth Congressional District Teacher Bonus Award Program which is currently in its ninth year.

In the past, this program has attracted many distinguished participants from throughout my district. On May 18, 1991, I sponsored an awards breakfast to honor this year's 10 outstanding teachers. These men and women were recognized for being instrumental in promoting academic excellence in their respective schools as well as exhibiting a special enthusiasm for the teaching profession.

Mr. Speaker, I am pleased to announce those teachers who were selected for the 1991 Teacher's Bonus Award for their continuing contribution to the education of our children: Ms. Geraldine Banks, Kinzie Elementary; Ms. Gail Gentili, Saint Hughes Elementary; Ms. Holly Gross, Our Lady of the Snows; Ms. Gloria Hagedorn, Christopher School for the Handicapped; Mr. Ronald Hettinger, Curie High School; Ms. Virginia Hodanick, Nathan Hale Elementary; Ms. Susan Kluk, Wilkens, Jr. High; Ms. Dona Martin, Glen Oaks Elementary; Sister Joan Mueller, Saint Joseph's; Ms. Camille Salerno, Morton West High School.

I know my colleagues will join me in congratulating and thanking these teachers for their hard work and dedication.

TRIBUTE TO CHARLES AND MYRTLE NUNLEY

**HON. BOB McEWEN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. McEWEN. Mr. Speaker, I rise today to pay tribute to Charles and Myrtle Nunley from the Sixth Congressional District of Ohio. Mr. and Mrs. Nunley celebrate their 65th wedding anniversary on May 22, 1991.

They were married in Chillicothe, OH in 1926. Mr. Nunley worked for many years at the Mead Corp. paper company in Chillicothe. He also maintained a small family farm in Ross County. Mrs. Nunley, in addition to caring for her home and children, actively assisted in operating the farm. For the past 65 years, Mr. and Mrs. Nunley have been members of the Mount Tabor Community Church in Huntington Township, in Ross County, OH.

Mr. Speaker, I would like to congratulate Charles and Myrtle on their 65 years of marriage. Their commitment to each other and their children is exceptional. May their marriage continue to serve as a much needed example of love and dedication to us all. I wish them many more years of happiness together and with their extended family. I am honored to have these two wonderful people as part of the district, and join with their friends and family in wishing them the best.

GWEN MARGOLIS AMPHITHEATER GROUND BREAKING

**HON. ILEANA ROS-LEHTINEN**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize the recent groundbreaking ceremony for the new Senator Gwen Margolis Amphitheater, and the dedication of the Councilman Harry Cohen Complex by the city of North Miami Beach.

The amphitheater will be named after Florida State Senator Gwen Margolis who is presently serving as the first woman elected as president of the Florida Senate. Senator Margolis is a longtime resident of the North Dade area, representing the area since 1974 in both the Florida House of Representatives and the Florida State Senate.

When completed, the amphitheater, will be one of the few facilities to provide outdoor cultural programs to the North Dade area. It will be located on 1.8 acres adjacent to the All Wars Veterans' Memorial.

The amphitheater will be only one of the many cultural and recreational facilities which will be part of the Councilman Harry Cohen Complex. The complex will be dedicated for the late Councilman Harry Cohen who served as a member of the North Miami Beach City Council from November 14, 1972, to April 17, 1973 and April 22, 1975 until his death on December 21, 1989—a total of 15 years.

The Harry Cohen Complex will be made up of 5 acres along the Snake Creek Canal in the heart of North Miami Beach. The recreational

complex will also include the new All Wars Veterans' Memorial in tribute to all patriots who gave their lives for our country and the North Miami Beach Public Library which is being expanded to serve the growing needs of the city's diverse population. The future Snake Creek Canal Administration Building and Challenger Park will also be part of the complex.

The city is also planning the construction of a bike path and fitness trail along the Snake Creek Canal. The entire complex represents the center of public activity in the city of North Miami Beach, sparking redevelopment of adjacent streets and commercial properties. The whole complex when completed in 1992 will be one of the most magnificent areas in South Florida.

I wish to thank Dedication Program Coordinator North Miami Beach Councilman Jule Lippman; Dade County Mayor Stephen P. Clark; North Bay Village Commissioner Irving J. Gurien; North Miami Beach Mayor Jeffrey Mishcon; North Miami Beach Council members Jay R. Chernoff, Sally Heyman, John Kurzman, Raymond F. Martin and Buford C. Whitaker; former North Miami Beach Mayor Walter S. Pesetsky; the North Miami Beach Senior High School Band under the direction of Larry Davidson; and the many other individuals who played a part in dedicating this important cultural facility.

TRIBUTE TO JASON VITALE

**HON. NICHOLAS MAVROULES**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. MAVROULES. Mr. Speaker, I would like to praise the Vitale family, from Saugus, MA, for their efforts in helping others with the crippling disease of leukemia. You see, their son Jason died of this terrible illness at the age of 11. An award has been established in Jason's name. The award is a tribute to the entire Vitale family and their son, all of whom have worked tirelessly on behalf of the Leukemia Society of America.

Jason Vitale was chosen to represent the Commonwealth of Massachusetts as the State's poster child for the Leukemia Society; truly, a special young man. Imagine an 11-year-old boy saying he was put on Earth to help others who have leukemia. That goes to show what kind of a special child the Vitales raised.

Hopefully, through the efforts of the Leukemia Society of America and volunteers such as the Vitale family, this disease can be wiped out. Even with the great dedication of these people, leukemia will still claim an estimated 28,000 new victims this year. Every year comes new hope though for anyone who tragically has contracted leukemia. Over the last 30 years, survival rates for patients with acute lymphatic leukemia rose from 4 percent in 1960, to 28 percent in 1970, to 50 percent this last decade. We must not rest until the disease is wiped out.

Mr. Speaker, I urge you and all my colleagues to salute the valiant life of Jason Vitale. Let his inspiration be a lesson to us all. Sometimes only through the most tragic

events are we able to see the extreme goodness and generosity of another fellow human being. Maybe through the efforts of the Vitale family one young boy may have a chance to live a longer life.

**OFFICER ALEX CLABIA NAMED  
"OFFICER OF THE YEAR" FOR  
HEROIC ACT**

**HON. PAUL E. KANJORSKI**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, May 20, 1991*

Mr. KANJORSKI. Mr. Speaker, I would like to call my colleagues' attention to a remarkable individual on the U.S. Capitol Police Force, and who also is from my congressional district, Officer Alex Clabia of Hazleton. I want to add my congratulations upon his being named Police Officer of the Year. Officer Clabia is being honored for the heroic work he performed above and beyond the call of duty. In fact, Officer Clabia was off duty at the time of the incident.

On December 8, 1990, Officer Clabia was traveling along Route 83 near York, PA, when he saw a car, which was speeding at well over 100 miles per hour, fail to make a turn, crash through the guard rail, knock down 24 posts, and burst into flames.

The driver escaped from the car through its broken windshield, and Officer Clabia attempted to stop the driver from leaving the scene, when he noticed another person trapped inside the car.

Without thinking of himself, Officer Clabia ran to the burning car and pulled the passenger to safety and administered first aid until an ambulance arrived on the scene.

The fact that Officer Clabia was willing to put another's well-being before his own personal safety makes him not only a good officer but an excellent human being.

Mr. Speaker, again, I would like to congratulate Officer Clabia for being named Police Officer of the Year, and for a job well done. He is a proud and fine example of the work our men and women in uniform do day after day.

**APPRECIATION TO EXCHANGE  
CLUB OF MURFREESBORO, TN**

**HON. BART GORDON**

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, May 20, 1991*

Mr. GORDON. Mr. Speaker, the Exchange Club of Murfreesboro, TN, was chartered on June 5, 1951, and will be celebrating its 40th anniversary next month.

The members of the Exchange Club of Murfreesboro have served their community these past 40 years, actively participating in the programs of service of the National Exchange Club, such as Crime Prevention, One Nation Under God, the Freedom Shrine, as well as others.

The group's members have made selfless contributions to the community, dedicating their time, energy, and imagination to improv-

**EXTENSIONS OF REMARKS**

ing the quality of life for both children and adults. The club works daily to promote the basic American values of honesty, integrity, and hard work that have made our Nation great. That work strengthens the moral and social fibers that will lead to even greater achievements by future generations.

The Exchange Club of Murfreesboro deserves our sincere thanks and appreciation for all the contributions made in the true spirit of Exchange to the betterment of their community and, as a result, to our country.

**WYOMING COUNTY, NY,  
SESQUICENTENNIAL**

**HON. BILL PAXON**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, May 20, 1991*

Mr. PAXON. Mr. Speaker, I rise today to join with the people of Wyoming County, NY, in celebrating the country's sesquicentennial.

Since it was formed by the New York State Legislature on May 19, 1841, Wyoming County has been one of our State's shining stars. From its natural resources to the people who make it their home, Wyoming County has contributed greatly to the prosperity of New York.

Because of its central location, Wyoming County received great benefit from the growth of the railroad industry. The nearby towns became connected to the large markets of Buffalo and New York City to the west and east and Rochester and the State line to the north and south.

When these immense, nearby markets became accessible, Wyoming County's chief natural resource, its fertile soil, became the foundation of the proud agricultural heritage of the region.

Throughout the years, Wyoming County has produced some of America's great leaders. Among them, U.S. Senator James Doolittle and Representative Seth Gates. Former Congressman and president of the World Bank, Barber Conable, calls Wyoming County his home.

Among its greatest benefactors is William Letchworth, who donated what has become one of New York's largest and most scenic State parks.

This listing of Wyoming County's exceptional residents is only a very small sample of the people who have contributed to the well-being of our country. Indeed, there are those who have excelled in all aspects of human endeavors who have come from this great county. We can all be proud of their accomplishments.

I congratulate the people of Wyoming County on the occasion of their sesquicentennial celebration. I wish them all the best for continued prosperity during the next 150 years.

**MOVING JOBS TO MEXICO**

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, May 20, 1991*

Mr. STARK. Mr. Speaker, American business has always sought out ways to lower its production costs. That makes sense and allows them to compete with foreign producers.

All too often, however, lowering production costs has meant moving production jobs to nation's with slave labor wage rates. I don't think the Congress can do much to stop this movement of capital around the world to low wage areas—but we certainly don't need to promote it.

That is part of what worries me about the idea of a Mexican Free-Trade Agreement. The wage rates between our two nations are so far apart, and it will take so long to bring Mexican wages up to a reasonably fair level that giving the President fast-track authority, without guaranteeing some major reforms in Mexican labor laws, strikes me as buying a pig-in-a-poke.

This week, May 21 and 22, there will be a 2-day seminar in Arizona on how to move a production plant to Mexico and—to quote from the ad—"save up to \$25,000 per assembler, per year." The seminar ad also makes it clear that one would not need to worry about environmental problems. I don't believe the cost figures in the ad, when you consider the productivity of trained American workers.

But clearly, we don't need to hasten the movement of plants to Mexico by endorsing an undefined trade package. There are many ways to help Mexico that we should explore without further compressing the wages of American blue-collar workers.

**RECOGNITION OF STATE SENATOR  
JIM MATHEWSON**

**HON. IKE SKELTON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, May 20, 1991*

Mr. SKELTON. Mr. Speaker, It was my honor, recently, to participate in a ceremony in which Missouri State Senator Jim Mathewson was recognized by the State's capitol city newspaper as "Statesman of the Year." The recognition is imparted by the Robert C. Goshorn Foundation to Missourians who have distinguished themselves in public service.

The honor was truly deserved, as Senator Mathewson has a distinguished record of legislative service in the Missouri House of Representatives and Senate, culminating in his present service as president pro tem of the Senate. He has done much for the bodies in which he has served and for the State and its people.

There is no question, Jim Mathewson is one who tries to arouse the State of Missouri. His vision of a better State causes him to be in the forefront of efforts to provide the education and economic environment to allow Missouri to enter the 21st century in a leadership role.

His recognition is well deserved. He is a statesman in all the positive ways. His work

and recognition are reported here so others might emulate it.

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SAVE THE F-14

**HON. CRAIG T. JAMES**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. JAMES. Mr. Speaker, later today I will support the defense authorization bill offered by the Armed Services Committee because it addresses the future of naval aviation.

I remember a few years ago when Tom Cruise and the F-14 made me wish I was 21 years old again. In the movie, his exploits in the F-14 Tomcat were legendary. He got the girl, saved the lives of American soldiers, and knocked some Soviet Mig's out of the sky.

But the F-14 isn't just Hollywood fantasy. It's a superb airplane. And yet, the administration wants to kill the F-14. I'm pleased that a number of members on the Armed Services Committee are opposed to the administration's decision.

Make no bones about it, money for defense is tight. We need to streamline our military and go with proven weapons systems. That's why it makes no sense to kill the F-14. Upgrading the F-14 is cheaper than dumping the airplane and replacing it with something more expensive and less functional.

In 1989, Secretary Cheney decided to terminate the F-14. The world was a different place in 1989. The Berlin Wall stood ominously over Eastern Europe. The Persian Gulf lay in relative peace. And the A-12 was believed to be on time and on budget. Mr. Speaker, times have certainly changed. The Berlin Wall has been torn down by the forces of freedom and liberty. Naked aggression has been repelled in the Persian Gulf. And the A-12, which it turned out was not on time or on budget, was canceled. Naval aviation was sent for a loop.

The A-12 cancellation changed the future of naval aviation. It will be years before the Navy builds the next generation medium attack aircraft or the next generation fighter. The F-14 is a fiscally viable choice in the interim.

The remanufacturing of the F-14A's into F-14D's does not require exorbitant development costs. The F-14D has already been developed. We won't need to spend billions of dollars on research and development. What are we getting for our money?

We are getting a fighter that is both durable and proven. We are getting a fighter that won't require extensive research and development. We are getting a fighter that will help carry naval aviation into the next generation of fighters. We are getting a fighter that works and makes sense.

What are the alternatives? Mr. Speaker, the alternatives are fiscally unwise and downright unacceptable. If we don't remanufacture the F-14, we will effectively destroy a major section of our industrial base. We will be left with only one fighter option in naval aviation, the F-18. And the taxpayer, after coughing up \$4 to \$5 billion for research and development of the F-18E and F-18F, will be left with the bill, wondering "did we get our money's worth?"

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Mr. Speaker, I rise today in support of the remanufacturing of the F-14. It makes sense in tough fiscal times. It makes sense in a time when naval aviation is in transition. It makes sense because it can do the job. And it can do it without extensive research and development costs. Mr. Speaker, times are changing. And the upgraded F-14, proven, dependable, and cost effective, makes for common sense in these changing times.

Thank you, Mr. Speaker, I urge my colleagues today to support the committee's bill and reject the administration's alternative.

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CONGRATULATIONS TO THE  
REPUBLIC OF CHINA ON TAIWAN

**HON. GEORGE W. GEKAS**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1991

Mr. GEKAS. Mr. Speaker, as the Republic of China on Taiwan celebrates the first anniversary of its President's first term in office on May 20, 1991, I wish to extend my personal best wishes and congratulations to President Lee Teng-hui and to the hard-working men and women on Taiwan.

As the Congressman representing Williamsport, PA, I have had the distinct privilege of watching many Taiwanese youngsters compete in championship Little League games. Win or lose, these youngsters always show true sportsmanship by being unflinchingly courteous to fellow players and game officials.

Those young Little Leaguers from Taiwan always make me think of the country they represent—the tiny island nation of the Republic of China on Taiwan. When one speaks of Taiwan, one usually thinks of all the products that Taiwan manufactures and sells in our department stores. It is not likely that he is aware of the fact that Taiwan is our largest trading partner and the world's 13th largest trading entity.

There is no doubt that Taiwan is very much a country on the move. Its economy is vibrant, and it will become an even greater economic force in the next 10 years as Taiwan launches its new 6-year national development plan, with a projected expenditure of \$302 billion. It seems to me that Taiwan will provide many exports and investment opportunities for United States companies.

To help my constituents understand Taiwan a little better, I wish to include the following with this statement.

In a speech entitled "Taiwan's Recent Developments" at the U.S. Army War College in Carlisle, PA, on April 8, 1991, Prof. Nathan Mao of Shippensburg University made the following points about Taiwan:

First, 1991 is a critical year for Taiwan's process of democratization. In the last 3 years, Taiwan has undergone many political, economic, and social changes, but Taiwan's commitment to democratization is firm and unwavering.

Second, even though Taiwan and the United States do not have formal diplomatic relations, both countries share the same democratic principles and goals.

Third, Taiwan's constitutional reform group, after 9 months of hard work, has completed

"Major Points and Amendments of the Republic of China's Constitution." Credit for the completion of this historic document should go to Vice President Li Yuan-zu, a distinguished scholar of constitutional law.

Fourth, Taiwan has recently issued the "Guidelines for National Reunification." This statement attests to the sincerity of President Lee Teng-hui and of his compatriots for the eventual reunification of China. Professor Mao believes that both Taiwan and Beijing should work toward eventual reunification under the rubric of mutually recognizing each other as separate but equal entities, while mindful of each other's interests.

Fifth, Professor Mao hopes that Beijing would reduce its hostility toward Taiwan and not impair Taiwan's ability to function internationally; Professor Mao also hopes that Beijing would not obstruct Taiwan's international activities such as Beijing's objection to Taiwan's application for GATT membership.

Sixth, in conclusion, Professor Mao comments that even though Taiwan faces many obstacles in its democratization process, Taiwan's future is bright under the leadership of President Lee Teng-hui, Vice President Li Yuan-zu, Premier Hau Pei-ts'un, and Foreign Minister Frederick Chien.

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SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, May 21, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 22

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Business meeting, to markup S. 965, to authorize funds for fiscal years 1992-1996 for the improvement of highways to further international competitiveness of the United States, and to consider other pending calendar business.

SD-406

- Governmental Affairs**  
To hold hearings to examine Department of Defense sub-contract management.  
SD-342
- 10:00 a.m.  
**Banking, Housing, and Urban Affairs**  
To resume hearings on proposals to reform the Federal deposit insurance system, protect deposit insurance funds, and improve supervision and regulation of disclosure relating to federally insured depository institutions, focusing on well-run institutions.  
SD-538
- Finance**  
Business meeting, to markup proposed legislation relating to Social Security as an independent agency.  
SD-215
- Foreign Relations**  
To hold hearings to review the status of 1990 bilateral chemical weapons agreement and multilateral negotiations on chemical weapons ban.  
SD-419
- 10:30 a.m.  
**Agriculture, Nutrition, and Forestry**  
To hold hearings on S. 1098, to authorize the purchase of dairy cows and heifers for certain purposes, and to increase the milk price support rate and provide an offset.  
SR-332
- Judiciary**  
**Juvenile Justice Subcommittee**  
To hold hearings to examine the risks presented to children who are status offenders.  
SD-562
- 2:00 p.m.  
**Armed Services**  
**Strategic Forces and Nuclear Deterrence Subcommittee**  
To resume hearings on proposed legislation authorizing funds for fiscal years 1992 and 1993 for national defense programs, focusing on Department of Energy environmental restoration and waste management programs.  
SR-222
- Banking, Housing, and Urban Affairs**  
To continue hearings on proposals to reform the Federal deposit insurance system, protect deposit insurance funds, and improve supervision and regulation of disclosure relating to federally insured depository institutions.  
SD-538
- Commerce, Science, and Transportation**  
**Communications Subcommittee**  
To hold hearings on proposed legislation authorizing funds for fiscal year 1992 for the Federal Communications Commission.  
SR-253
- Foreign Relations**  
**Near Eastern and South Asian Affairs Subcommittee**  
To resume hearings to examine the current situation in the Middle East, focusing on Arab-Israeli relations and the Palestine issue.  
SD-419
- Joint Economic**  
To hold hearings on issues relating to rural development and telecommunications.  
SD-628
- Commission on Security and Cooperation in Europe**  
To hold hearings on democracy developments in Albania.  
SH-216
- Governmental Affairs**  
MAY 23  
9:00 a.m.  
**Appropriations**  
**Defense Subcommittee**  
To resume hearings on proposed budget estimates for fiscal year 1992 for defense programs.  
SD-192
- Select on Indian Affairs**  
To hold hearings on S. 290, to authorize funds for certain programs of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986.  
SR-485
- 9:30 a.m.  
**Energy and Natural Resources**  
Business meeting, to consider pending calendar business.  
SD-366
- Governmental Affairs**  
Business meeting, to mark up S. 260, to provide for the efficient and cost effective acquisition of nondevelopmental items for Federal agencies, and S. 533, to establish the Department of the Environment, provide for a Bureau of Environmental Statistics and a Presidential Commission on Improving Environmental Protection.  
SD-342
- Veterans' Affairs**  
To hold hearings on proposals to improve educational assistance benefits for members of the Selected Reserve of the Armed Forces who served on active duty during the Persian Gulf War, including S. 868, and on H.R. 153, to repeal certain provisions of the Veterans' Judicial Review Act relating to veterans' benefits.  
SR-418
- 10:00 a.m.  
**Appropriations**  
**Foreign Operations Subcommittee**  
To hold hearings on proposed budget estimates for fiscal year 1992 for foreign assistance programs, focusing on implications of the Persian Gulf war and other international developments.  
SD-138
- Banking, Housing, and Urban Affairs**  
**Consumer and Regulatory Affairs Subcommittee**  
To hold hearings on S. 1019, to strengthen Federal supervision, regulation and examination of foreign bank operations in the United States, to enhance cooperation with foreign banking supervisors, and to improve reporting of bank stock loans, and to examine the Bank of Credit and Commerce International (BCCI) as a case study revealing the inadequacies in our present regulation and supervision of foreign banks.  
SD-538
- Commerce, Science, and Transportation**  
**Foreign Commerce and Tourism Subcommittee**  
To hold hearings to examine the consolidation of U.S. export promotion functions.  
SR-253
- Foreign Relations**  
**Near Eastern and South Asian Affairs Subcommittee**  
To continue hearings to examine the current situation in the Middle East, focusing on regional security issues.  
SH-216
- Judiciary**  
Business meeting, to consider pending calendar business.  
SD-226
- Labor and Human Resources**  
**Education, Arts, and Humanities Subcommittee**  
To resume hearings on proposed legislation authorizing funds for programs of the Higher Education Act.  
SD-430
- 10:30 a.m.  
**Governmental Affairs**  
To hold hearings on S. 20, to require the Office of Management and Budget to establish and evaluate overall performance standards and goals for expenditures in the Federal budget.  
SD-342
- 2:00 p.m.  
**Armed Services**  
**Strategic Forces and Nuclear Deterrence Subcommittee**  
To hold closed hearings on S. 1066, to authorize appropriations for fiscal years 1992 and 1993 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal years 1992 and 1993, focusing on command, control, and communications issues.  
SR-222
- Banking, Housing, and Urban Affairs**  
**Consumer and Regulatory Affairs Subcommittee**  
To continue hearings on S. 1019, to strengthen Federal supervision, regulation and examination of foreign bank operations in the United States, to enhance cooperation with foreign banking supervisors, and to improve reporting of bank stock loans, and to examine the Bank of Credit and Commerce International (BCCI) as a case study revealing the inadequacies in our present regulation and supervision of foreign banks.  
SD-538
- Commerce, Science, and Transportation**  
To hold hearings to examine the takeover of First Capital Insurance Company, in California.  
SR-253
- Environment and Public Works**  
**Nuclear Regulation Subcommittee**  
To hold hearings on sections 511 and 512 of S. 570, to revise the Nuclear Waste Policy Act with respect to procedures for the characterization of Yucca Mountain, Nevada, and the construction of a monitored retrievable storage facility for spent nuclear fuel.  
SD-406
- Foreign Relations**  
To hold hearings on the nomination of Bruce S. Gelb, of New York, to be Ambassador to Belgium.  
SD-419
- Foreign Relations**  
**Near Eastern and South Asian Affairs Subcommittee**  
To continue hearings to examine the current situation in the Middle East, focusing on prospects for peace.  
SH-216
- Select on Indian Affairs**  
To hold oversight hearings on Indian libraries, archives and information services.  
SR-485
- 2:30 p.m.  
**Foreign Relations**  
**European Affairs Subcommittee**  
To hold hearings to examine environmental and energy issues relating to eastern Europe.  
SD-419

JUNE 5

9:30 a.m.  
 Appropriations  
 Interior Subcommittee  
 To hold hearings on proposed budget estimates for fiscal year 1992 for activities of the Secretary of the Interior, and Members of Congress.

S-128, Capitol

Select on Indian Affairs

To hold hearings on S. 667, to provide support for and assist the development of tribal judicial systems.

SR-485

10:00 a.m.

Armed Services  
 Readiness, Sustainability and Support Subcommittee

To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.

SR-222

2:00 p.m.

Appropriations  
 VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of Housing and Urban Development.

SD-138

Energy and Natural Resources  
 Water and Power Subcommittee

To hold hearings on S. 106, to revise the Federal Power Act to prohibit the granting of a Federal license for a hydroelectric project unless the applicant complies with all substantive and procedural requirements of the affected State in which the project is located with respect to water acquisition and use.

SD-366

JUNE 6

9:00 a.m.  
 Veterans' Affairs  
 Business meeting, to mark up pending legislation.

SR-418

9:30 a.m.  
 Governmental Affairs  
 Oversight of Government Management Subcommittee  
 To hold hearings on enforcement and administration of the Foreign Agents Registration Act (FARA).

SD-342

2:00 p.m.  
 Judiciary  
 Courts and Administrative Practice Subcommittee  
 To resume hearings on overview of the bankruptcy code, focusing on cramdowns of residential real estate mortgages in Chapter 13 bankruptcies.

SD-226

JUNE 12

9:00 a.m.  
 Select on Indian Affairs  
 To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.

SR-485

9:30 a.m.

Veterans' Affairs  
 To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, and sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation.

SR-418

JUNE 13

9:30 a.m.  
 Governmental Affairs  
 Oversight of Government Management Subcommittee  
 To hold oversight hearings of enforcement of anti-dumping and countervailing duties.

SD-342

10:30 a.m.  
 Commerce, Science, and Transportation  
 Foreign Commerce and Tourism Subcommittee  
 To hold hearings to examine national tourism policy.

SR-253

JUNE 18

9:30 a.m.  
 Governmental Affairs  
 Permanent Subcommittee on Investigations  
 To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

10:00 a.m.  
 Judiciary  
 To resume hearings on legislative proposals to strengthen crime control.

SD-226

JUNE 19

9:00 a.m.  
 Select on Indian Affairs  
 To hold oversight hearings on the National Native American Advisory Commission.

SR-485

2:00 p.m.  
 Energy and Natural Resources  
 Energy Regulation and Conservation Subcommittee  
 To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.

SD-366

JUNE 20

9:00 a.m.  
 Select on Indian Affairs  
 To hold oversight hearings on the Navajo-Hopi relocation program.

SR-485

JUNE 26

9:30 a.m.  
 Governmental Affairs  
 Permanent Subcommittee on Investigations  
 To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.

SD-342

Veterans' Affairs  
 Business meeting, to mark up pending calendar business.

SR-418

2:00 p.m.  
 Select on Indian Affairs  
 To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

SR-485

JULY 16

9:30 a.m.  
 Commerce, Science, and Transportation  
 Surface Transportation Subcommittee  
 To hold hearings on proposed legislation authorizing funds for rail safety programs.

SR-253

CANCELLATIONS

MAY 23

10:00 a.m.  
 Appropriations  
 Transportation Subcommittee  
 To hold hearings on proposed budget estimates for fiscal year 1992 for the General Accounting Office.

SD-138

1:30 p.m.  
 Appropriations  
 Labor, Health and Human Services, Education Subcommittee  
 To hold hearings to examine issues relating to mine safety.

SD-138

2:00 p.m.  
 Appropriations  
 Energy and Water Development Subcommittee  
 To hold hearings on proposed budget estimates for fiscal year 1992 for energy and water development programs, focusing on the Department of Energy.

SD-192

POSTPONEMENTS

MAY 21

9:30 a.m.  
 Governmental Affairs  
 Oversight of Government Management Subcommittee  
 To hold oversight hearings on enforcement of antidumping and countervailing duties.

SD-342

MAY 23

10:00 a.m.  
 Commerce, Science, and Transportation  
 To hold hearings in conjunction with the National Ocean Policy Study on proposals relating to the modernization of the National Weather Service, National Oceanic and Atmospheric Administration, Department of Commerce, including S. 98 and S. 916.

SR-253