



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 102<sup>d</sup> CONGRESS, SECOND SESSION

## SENATE—*Friday, January 3, 1992*

The 3d day of January being the day prescribed by the Constitution of the United States for the annual meeting of the Congress, the 2d session of the 102d Congress commenced this day at 12 noon.

The Senate assembled in its Chamber at the Capitol.

The Senate was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The Senate will come to order in the 2d session of the 102d Congress.

RECESS UNTIL TUESDAY,  
JANUARY 21, 1992 AT 11:30 A.M.

The PRESIDENT pro tempore. Pursuant to the order of November 27, 1991, contained in the provisions of House

Concurrent Resolution 260, the Senate now stands in recess until the hour of 11:30 a.m., Tuesday, January 21, 1992.

Thereupon, the Senate, at 12 noon and 39 seconds, recessed until Tuesday, January 21, 1992, at 11:30 a.m.

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

## HOUSE OF REPRESENTATIVES—Friday, January 3, 1992

This being the date fixed by the 20th amendment of the Constitution of the United States for the annual meeting of the Congress of the United States, the Members of the 102d Congress met in their Hall and, at 12 noon, were called to order by the Speaker of the House of Representatives, Hon. THOMAS S. FOLEY.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

At the beginning of this new day, we are grateful as individuals and as a nation, O God, for all the blessings we have been given. As we anticipate the opportunities and difficulties that are before us and before so many people in our world, we pray that we will be worthy of the responsibilities that have been given to us and truly be the people you have called us to be. As the Scriptures remind, we know there is a time for everything under the Sun. We pray, gracious God, that this will be the time for renewed commitment to sharing with the needy our gifts of time and treasure and also working to increase the spirit of understanding and reconciliation with people everywhere. May the walls of distrust and suspicion that have for so long separated people one from another continue to be put aside and be replaced by the spirit of respect and dignity, May Your spirit, O God, be in our hearts and minds and encourage us to do the works of peace and justice, now and evermore. Amen.

### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 260, 102d Congress, the House shall conduct no organizational or legislative business until January 22, 1992, or until the House is notified of legislative business pursuant to section 3 of that concurrent resolution.

### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] please come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### A PROPOSAL TO REINVIGORATE THE ECONOMY

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, while people here in Washington worry about Boris Yeltsin and the President's "get tough" trip to Japan, the people back home are telling us in so many words that they are hurting, that they could care less about what is happening overseas. They are worried about their pocketbooks and they are worried about health care, but most importantly, they are worried about the future, and they want us to do something now.

Mr. Speaker, my constituents in New Mexico want a national health care plan. They do not care what plan. They simply can no longer afford to pay for health care. That should be our No. 1 priority in this session of Congress.

Mr. Speaker, I include an article from the Albuquerque Journal of November 15, 1991, and an article from the Wall Street Journal of December 12, 1991, as follows:

[From the Albuquerque Journal, Nov. 15, 1991]

#### RICHARDSON PROPOSES TO REINVIGORATE ECONOMY

(By Representative Bill Richardson)

Our economy is in a mess and it needs more than just a jump start to get it going again. It needs a major overhaul. That's why I am proposing a 10-point plan to reinvigorate our depressed economy.

My plan is broad-based, with components for both immediate stimulus as well as long-range economic growth provisions. And, it is geared toward the middle class in the belief that sustained economic growth will only occur by providing tax relief and boosting purchasing power for the majority of Americans.

#### INSTANT STIMULUS

Let's reduce the payroll tax for both employees and employer. It's the best anti-recessionary tool we've got. A reduction will lower the cost of doing business and free up more money for expansion and job creation. It also increases the take-home pay for every worker in America. Every extra dollar that gets sent home is another dollar that will be recirculated in the economy. This reduction would be a temporary two-year reprieve, paid for by future military cuts, to provide instant stimulus to our sinking economy. Cost: \$26.6 billion over two years.

The Federal Reserve must push interest rates lower. The credit crunch now squeezing small and mid-sized companies is a major obstacle to economic recovery. While banks should remain wary of repeating the mistakes of the 1980s, that caution cannot come

at the expense of denying credit to small business—those companies that create the bulk of new jobs in this country.

#### LONG-TERM ECONOMIC GROWTH

We should make the research and development tax credit permanent. Businesses that need to make long-term research commitments are being disadvantaged by the temporary nature of this pro-research tax policy. We ought to be doing everything we can to encourage research and development—it's the only way we're going to succeed in an increasingly competitive worldwide marketplace. Cost: \$6.2 billion over five years.

Individual saving needs to be encouraged. This can be achieved by allowing more people the opportunity to deduct up to \$2,000 in contributions to Individual Retirement Accounts. Let's expand the program so that individuals making up to \$50,000 (or couples up to \$100,000) can qualify. Cost: \$10 billion over five years (which also takes into account the costs associated with IRA changes outlined in the second-to-last point below).

Our nation's burgeoning budget deficit is one of the most damaging long-term drains on a healthy economy. It does no good to encourage individual savings only to have the federal government gobble it up. We have borrowed so much money over such a long period of time, that long-term interest rates have no hope of coming down unless our long-term debt is reduced. As debate gets under way on an economic growth package, we must ensure that it is budget-neutral. Furthermore, given the failure and the irrelevancy of last year's budget agreement, serious consideration needs to be given to a constitutional amendment to balance the budget.

Government spending needs to be cut. Many existing programs have outlived their usefulness. Given new international realities and pressing domestic needs here at home, it is appropriate to achieve additional savings by cutting the defense budget by 5 percent annually. The close to \$80 billion in savings can be achieved without jeopardizing the strong defense presence in New Mexico. Savings: \$80 billion over five years.

The current trade negotiations among the United States, Mexico and Canada have much promise for improving economic growth and our trade deficit. Let's put together a deal that will increase commerce among the three countries, create jobs here at home, and expand export markets for American-made products.

#### MIDDLE CLASS TAX RELIEF

American families should be given a \$300 tax credit for each child up to 18 years of age. This is the least the government can do to help middle class families whose earnings have stagnated while basic costs like education, housing and health care increased in the 1980s. This tax cut will offset, to some degree, the burdens families now face in meeting these basic needs. Cost: \$73 billion over five years.

First-time homebuyers should be able to withdraw savings from their IRAs without penalty. One of the biggest obstacles in home-buying is coming up with the down payment. In addition, I believe parents

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

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

should be allowed to withdraw savings from their IRAs without penalty to help pay their children's college tuition.

We need to make the nation's wealthiest pay their fair share to Uncle Sam. The tax policies of the 1980s have demonstrably shifted the tax burden onto the middle class and away from our nation's top income earners—that needs to change in the 1990s. We should increase the top marginal tax rate from 31 percent to 33 percent for those individuals who make more than \$200,000 a year. Savings: \$48 billion over five years.

Quite clearly, more tax relief is needed for America's middle class, ignored by Washington for the past decade. Making our tax system more progressive for Americans who make between \$20,000 and \$70,000 has to be an immediate priority and objective. It's not only a matter of fairness. It's also a priority for economic growth. Even Henry Ford, the early 20th century titan of the auto industry, understood that if he wanted to sell more Model T's, he needed to pay a decent wage so workers could afford them. That wisdom would serve us well as America prepares for the 21st century.

Most importantly, my plan does not increase the federal deficit and may actually save a few dollars. I estimate my tax cut proposals would cost approximately \$116 billion over the next five years. However, my combination of tax savings and spending reductions would save approximately \$128 billion—a net gain of \$12 billion. While these figures represent ballpark calculations, I am confident my overall plan would be budget neutral, which must be a critical component of any economic plan.

Separately, each one of my 10 points would have only minimal effect on our economy. But, collectively, I believe my plan will go a long way toward improving the nation's economic health, both in the short term and over the long haul.

[From the Wall Street Journal, Dec. 12, 1991]  
MEXICO—THE ANSWER TO BUSH'S DOMESTIC TROUBLES

(By Bill Richardson)

When Presidents Bush and Salinas meet this weekend to decide whether to conclude the U.S.-Mexico free-trade agreement in 1992, as planned, the easy political move for Mr. Bush would be to defer it until 1993 to avoid its potential use as an issue in the American presidential election. Pressures are building within the Bush administration to put off a ratification vote in the U.S. Congress.

But delaying the trade agreement would be a serious mistake. In fact, I believe President Bush should include the agreement as part of the economic package he submits to Congress in the State of the Union message next month. Our long-term economic objectives dictate that the nation export more. Any economic plan, Democratic or Republican, should include aggressive policies to overcome our huge trade imbalances.

Postponing the agreement would have a number of unfortunate consequences. First, it would send the wrong message to Latin American countries such as Chile, which view it as a first step toward a free-trade agreement for themselves.

Second, it would delay the formation of a North American trade bloc to compete in the world economy against a united Europe and a Pacific Rim trading bloc led by Japan. Third, a delay would be a slap at President Salinas, who has invested a lot of political capital in better economic and political ties with the United States.

A postponement based on political skittishness would feed public suspicions

that the negotiations are taking place to reward a "good neighbor" rather than to capture substantial benefits for America's economy and workers. Postponement would betray our own national interests as well as our contribution to the economic reforms sweeping Latin American countries. If we delay, how can we maintain credibility with Latin American leaders whose message is, "We don't want more aid. Just give us access to your markets?"

For various reasons, Congress as an institution is not well suited to making the case to the public for a North American Free Trade Agreement. The president, particularly in his State of the Union Address, is uniquely positioned to give his trade initiative the economic primacy it deserves.

It is important for the American public to get a better understanding of the economic benefits achieved through liberalizing trade and investment in this hemisphere. While the U.S. does have other objectives to meet with Mexico, such as reducing illegal immigration and environmental pollution, the trade agreement needs to be sold on its economic merits.

Mexico now stands as the third largest export market for American goods. In 1990, U.S. exports to Mexico reached \$28 billion, which translates into roughly 550,000 jobs in the American economy. At a time when members of Congress and the administration have grown frustrated with the cultural and trade impediments to the sale of American products in Asia and Europe, we should relish Mexico's preference for American-made goods.

More than two-thirds of Mexico's imports come from the U.S. The 4% growth that Mexico achieved in 1990 translates into a \$1.2 billion increase in American exports. Every additional percentage point increase in Mexico's economy will result in roughly \$300 million more in new American exports.

Unfortunately, these benefits have been obscured by political grandstanding and the familiar red herrings about income disparities and Mexico's relative poverty. For all the discussion surrounding these issues, it should be noted that the average Mexican consumer spends \$300 per capita on American goods. This is considerably higher than the \$265 per-capita consumption in the European Community. Moreover, this consumption is taking place in an environment where American products such as telecommunications equipment, agricultural goods, and motor vehicle parts are slapped with high tariffs. Once a free-trade agreement is in place, American sales to Mexico will grow through the gradual elimination of tariffs and improved living standards in Mexico.

U.S. trade negotiators should take as much time as necessary to bring back a good agreement. And President Bush must keep his word on his commitments to the environment, border infrastructure, and worker assistance. But if these important concerns can be satisfied by mid-1992, it makes sense for the U.S. to implement the agreement quickly.

The federal budget deficit stands at well over \$360 billion. The fiscal policies of the past 12 years have put the U.S. in a deep hole. Any fiscal package put together by President Bush and Congress is likely to have a minimal effect on the economy, given the unfortunate consequences of swelling deficits. It is unfortunate that the spending policies of the 1980s have robbed us of the fiscal tools of tax cuts and pump-priming, but it's a fact worth noting. It therefore makes sense to focus more attention on opening up foreign markets to American exports.

In 1990, 88% of America's economic growth was owed to international trade. Every \$1 billion in U.S. exports translates into roughly 20,000 jobs for American workers. Herein lies an important element of America's course toward sustained economic growth, and improvements in the standard-of-living and the federal deficit.

For all my concerns about President Bush's lack of a domestic agenda, his trade policies with Mexico represent one of his more significant legislative triumphs. Passage of the fast trade authority to negotiate a North American free-trade agreement this May was successful because of a bipartisan coalition that included 92 House Democrats (with a sizable majority of the House and Senate Democratic leadership) and 139 House Republicans. Unless Mr. Bush moves aggressively, this bipartisan support will continue to erode. He should recapture that momentum by making the North American Free Trade Agreement a national priority in 1992.

□ 1205

#### INTRODUCTION OF LEGISLATION TO STIMULATE OUR AUTO INDUSTRY

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, today I am introducing legislation which would restore the Federal tax deduction in 1992 to purchasers of passenger cars and trucks made in the United States. My bill will enable purchasers of American-made cars to deduct from their income tax return the interest paid on vehicle loans, just as they did before the law was changed in 1986, and phased out in 1990.

Mr. Speaker, I got this idea when General Motors announced its intention to close 21 plants and eliminate 74,000 jobs over the next 4 years.

The intent of my legislation is to save American jobs and to help our economy.

Mr. Speaker, the passage of my bill could have a two-pronged effect. It could serve as inducement for consumers to buy American-made cars and an inducement for automotive manufacturers to produce them. Overall it should serve as a stimulus to our industry that is badly in need of a jolt.

I have had a very favorable reaction from my constituents to my legislation, and I hope to have the same favorable reaction from my colleagues.

#### LET US MAKE 1992 THE YEAR OF THE AMERICAN WORKER

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, as 1992 begins, this Congress must make a resolution to stand up and make this the year of the American worker. This year should not see another U.S. company relocating to a foreign country as

a means to cut labor costs. This year should not see another unemployed worker losing his or her health insurance. And this year should certainly not see an increase of foreign imports as nearly 1,000 American workers lose their jobs each day. Mr. Speaker, the time to act is now. Congress must put the American worker and the resurgence of American industry at the top of our agenda. As the President travels through the Far East, it is certainly my hope that he will work hard to promote fair trade and open foreign markets to U.S. products, but he must not stop there. Parental leave and civil rights in the workplace; guaranteed health insurance; the future quality of American products—these are the issues which must be addressed to ensure the recovery of our ailing and desperate economy. Let's not make this another year of forgotten promises and pink slips. Let us make 1992 a year of recovery. The kind of year we will be able to look back on with a sense of pride, accomplishment, and achievement for the American worker.

#### GOOD NEWS, BAD NEWS ON THE TRADE FRONT

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker and my colleagues, there is good news and bad news on the trade front.

The bad news is that the GATT negotiations are not going particularly well. The Secretary General has made a proposal, but it is not something that the United States can support. It does not adequately address issues that are vitally important to us, namely, dumping, subsidies, dispute settlements, and a number of other items. I hope that in the continued GATT negotiations the United States can get an agreement that will protect American jobs and that will provide for fair trade policies.

On the good news side the President has signed a 2-year extension of the Voluntary Restraint Agreement [VRA] for machine tools. The voluntary restraint agreement gives our machine tool manufacturers an opportunity to rebuild their technology which will enable the industry to remain competitive in the future. I hope this will be a harbinger of an extension of VRA's for the steel industry, inasmuch as they expire in March of this year.

It all boils down to this: That, as we look at our economic concerns for the future, we need to be concerned about jobs in America. That means fair trade policies through the GATT negotiations, extending the VRA's and continued negotiation of access to offshore markets. Our trade policies must recognize that what rebuilds the economy is putting people to work.

#### THE LOWER SALMON RIVER RECREATIONAL AND SCENIC RIVERS ACT OF 1992

(Mr. LAROCCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAROCCO. Mr. Speaker, today, on behalf of myself, Mr. STALLINGS, and 13 other colleagues, I am introducing legislation to protect 112 miles of the lower Salmon River in Idaho as part of the National Wild and Scenic Rivers System. This measure enjoys strong support in my State, including the entire Idaho congressional delegation.

The Salmon River is the longest free-flowing river in the lower 48 States and flows through the second deepest gorge on the continent. While other segments of the Salmon were protected when the Wild and Scenic Rivers Act was enacted in 1968, the act called for a study of the lower part of this river for possible future designation. Such a study was completed in 1974 which recommended the lower Salmon River be designated as well.

The Salmon River attracts many visitors because of its outstanding recreation opportunities. Currently, 44 outfitters operate float trips on the lower Salmon and more than 280,000 visitors use the area annually for everything from swimming to fishing and floating. It is estimated that steelhead fishing alone brings more than \$1 million into the local economy.

The Salmon River also provides the habitat and migration route for both the Snake River Chinook salmon, which has been proposed for listing as a threatened species and the sockeye salmon, which was recently listed as endangered by the National Marine Fisheries Service.

Mr. Speaker, in addition to the lower Salmon River, my bill would also protect a spectacular 25-mile stretch of the North Fork of the Payette River from hydropower development. The North Fork is considered by many kayakers to be the finest stretch of whitewater in the United States—certainly one of the steepest. It drops as much as 260 feet per mile in some sections, providing excellent class five whitewater.

Last year, this stretch of river was made off limits to dams in a State water plan adopted by Idaho's legislature. Now, a small group is attempting to override the will of the State by seeking approval from the Federal Government for damming the river. If their proposed hydroproject succeeds, the churning torrents of water that travelers can now see and hear on their drive from Boise to McCall would be reduced to warm puddles filled with green algae.

Groups as diverse as the West Boise Chamber of Commerce, the Highway 21 Businessmen's Association, the Idaho Outfitters and Guides Association, and

Idaho Consumer Affairs have endorsed efforts to preserve the North Fork in its free-flowing state.

Mr. Speaker, both of these rivers are truly national treasures. I urge my colleagues to support this legislation to protect the wild and scenic values of the lower Salmon River and the world-class whitewater of the Payette River.

#### CONGRESS MUST ACT TO BRING ON ECONOMIC RECOVERY

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, the first order of business for Congress this year must be economic recovery and creating new jobs.

In November, the Republican Conference offered legislation that would reduce the tax burden on working people and small business. The Republican proposal—endorsed by President Bush—would have stimulated economic growth and created new jobs for Americans. For no justifiable reason, the Democrats prevented the full House from considering this solid plan for economic recovery.

Well, Mr. Speaker, I can assure you that my constituents are tired of the same old irresponsible, undisciplined policies that are ruling this Congress.

The majority party is obviously blocking economic recovery ideas so that our economy languishes, hoping that such a situation will help them in their Presidential campaign against George Bush.

Mr. Speaker, it is time to stop politics as usual and start working honestly for the American people.

#### THE MESSAGE WE MUST HEED

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, Mikhail Gorbachev altered his nation's politics and influenced world events in remarkable, unprecedented ways.

Yes, the last ruler of what has been known for decades as the Soviet Union is responsible for the end of the cold war, the reduced threat of a major nuclear war, the destruction of the Berlin Wall, the reunification of Germany, and freedom for millions of Eastern Europeans who formerly existed under communism.

Ironically, Gorbachev lost his position of leadership at home. Yes, Gorbachev appeared to be incapable on the domestic front. Gorbachev was never able to jump start the Soviet economy.

Surely, President George Bush and those of us in the 102d Congress realize that the American people are also more worried about our serious economic problems, unemployment and recession than the world stage.

Let us heed the message inherent in Gorbachev's tragic fall from power. During December, while we were in our districts, the message was clear—do whatever it takes to stimulate our economy. This is the mandate we should follow in this second session of the 102d Congress.

Minutes ago our House Chaplain reminded us in his prayer of the words in Ecclesiastes: "For every season there's a purpose." Now is the season for us to stimulate the economy, reduce unemployment, and halt the galloping recession in our country.

#### OUR NEW YEAR'S RESOLUTION: PUT THE AMERICAN PEOPLE FIRST

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, the Congress of the United States should today vote on and adopt our New Year's resolution, to put politics aside in the great political year of 1992 and concentrate on the American people. But we know that before the day is out, before the hour is out, that Congress will break that resolution because the Democrats are out to get the President, the President is out to retain his incumbency, and we, representing the American people, are going to be headlong into that kind of a battle.

□ 1215

What we ought to do is to do less to the American people. We ought to let the marketplace work to regain the optimism and confidence that it deserves so that the economy can begin to rise to its natural levels. That is what we ought to do, give incentives for investment and create jobs for growth. We ought to let the American people alone so that they would not have to worry about what the Congress and the President are going to do next to them.

Mr. Speaker, the New Year's resolution which will last about 30 seconds will have no place in 1992. We must put the American people first.

#### FIXING THE TRADE DEFICIT

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, as President Bush goes to Japan, he has a mission every bit as important as General Dolittle's "30 seconds over Tokyo" that occurred 50 years ago. Yet it seems we are about to witness a very sad spectacle: the President of the United States huddled in a closet with the Prime Minister of Japan, each begging the other for cosmetic concessions to provide political relief at home.

Mr. Speaker, that is a recipe for disaster.

The White House says it wants to persuade Japan to reduce car exports, and Prime Minister Miyazawa appears willing to go along but only so he can avoid real reforms of Japan's closed markets.

That is not good medicine for either of our economies, Mr. Speaker. The fact is that Japan makes better small cars than we do; both United States and Japanese consumers agree. Protectionist measures will only raise the price to U.S. consumers and permit inefficient manufacturers to remain that way.

Yet we make the best planes and computers in the world, we have the best financial services, and we have the greatest expertise in marketing and distribution.

The real solution is not to keep quality Japanese products out of our markets but to insist that Japan let in top-of-the-line United States products and services.

Is it any surprise that when they finally let Toys R Us open a store in Japan, the lines of Japanese consumers went around the block? The real question is, why did it take years and years to open this one store, and why are there not 20 of them in Japan? Why is there not a Walmart chock full of American products in every Japanese city like there is here?

Clearly, in conclusion, Mr. Speaker, Japan's leadership is protecting its political underbelly, just like President Bush is, by not angering entrenched, inefficient interests.

Mr. Speaker, the trade deficit can be fixed in two ways—one that sounds good and one that is good. President Bush should be on notice. Neither we in Congress nor the American people will be fooled by cosmetic, short-term fixes that undermine our economy.

#### ECONOMIC GROWTH

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, during the recess, I was pleased to have the opportunity to submit a statement to the Committee on Ways and Means in support of several proposals to stimulate economic growth. And I commend the distinguished chairman from Illinois, Mr. ROSTENKOWSKI, and the ranking member from Texas, Mr. ARCHER, for conducting these important economic hearings.

Too many of our constituents are severely suffering due to the current economic situation. We must find ways to help those in need by turning our Nation's economy around.

The \$151 billion dollar Surface Transportation Reauthorization Act which we adopted in the closing days of the

last session will be of a significant benefit to our economy. Additionally, the current world situation and the current downward trend in defense spending should help ease the pressures on our Federal budget.

On the first day of the 102d Congress, I introduced two measures that would benefit our economy. H.R. 106 allows the one-time exemption from capitol gains tax on income from the sale of a homeowner's principal residence. Currently, the law allows only Americans over the age of 55 to take advantage of that exemption.

And H.R. 105, the Social Security earnings test repeal of 1991, would fully eliminate the earnings test for Social Security beneficiaries over the age of 65. I urge my colleagues to support both of these economic support measures.

The recent Republican growth proposal, which includes policies which encourage research and development and enhances business investment through tax credits, focuses on the need to create additional jobs. With several million Americans out of work, it is vitally important that we offer those unemployed Americans a means to reenter the work force. These issues are not tax cuts for the rich, but are designed to stimulate small business and the increase in jobs that accompanies the growth of small businesses. The creation of jobs, not the creation of tax cuts, should be our goal.

#### A RECIPE FOR ECONOMIC RECOVERY IN 1992

(Mr. ANDREWS of Maine asked and was given permission to address the House for 1 minute.)

Mr. ANDREWS of Maine. Mr. Speaker, Happy New Year.

The people of Maine, the State in which I serve as a Representative, rang in the new year today by learning that just last year a record number of bankruptcies were filed—2,292 in all. That is 26 percent above the level of last year and over double the total of the year before.

Why? Well, for obvious reasons. We are in a deep and dark recession. People are losing their jobs and they cannot pay their debts, but we also are learning that more and more of these bankruptcies are due to medical emergencies and major illnesses befalling families, pushing those families into personal bankruptcy.

Mr. Speaker, it is good news that the Committee on Ways and Means has been focusing on an economic recovery strategy for America over the past few weeks. It is good news that the Members of this Chamber have been home talking and working with people and getting a front row view of the effects of this recession at home in human terms.

What is needed right now is action by this Congress, action based on the rec-

ognition that the key to economic recovery is our people, and the focus of our energy and our resources as a Nation should be on those people. Health care for every man, woman, and child should be the effect of what we do in 1993, as well as rebuilding our infrastructure, resetting budget priorities on the basis of the reality that is gripping this country, and insisting upon tax fairness.

Mr. Speaker, let us resolve in 1992 to make these our goals and our objectives so that truly we can herald in 1993 as a year of promise for everyone.

#### THE TRADE CENTER

(Ms. NORTON asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, the President is off on a trade mission abroad while bureaucrats seek to destroy a trade center at home. The Congress has twice voted to build the International Cultural and Trade Center, now rising on Pennsylvania Avenue. In a display of bureaucratic arrogance, however, OMB and GSA functionaries are claiming unto themselves the right to overturn the law and convert the space for the EPA.

Even if this were lawful, it would be foolish. Congress never would have appropriated \$650 million for a landmark building meant to pay for itself only to see it converted to an EPA office building, where the Government alone will pay the high construction costs.

OMB and GSA are making the same mistake that has made the United States uncompetitive globally—going for short-term illusionary gains, sacrificing larger long-term returns.

The trade center will bring trade and jobs to this country, this region and this city. The congressional investment in our global economic future must be protected.

#### EFFORTS TO UNDERMINE THE MISSION OF THE INTERNATIONAL CULTURAL AND TRADE CENTER, JANUARY 2, 1992

While Congress is out of session and the President is out of the country, administration bureaucrats are working at cross purposes with the stated goals of both. The Congress by law has authorized and appropriated funds for the federal building going up behind me specifically to serve as an International Cultural and Trade Center (ICTC) with law strictly mandating that federal agencies compatible with this mission be housed in the building. Our country is running so serious a trade deficit and has become so uncompetitive in the global economy that the President is abroad trying to drum up international trade.

How are the President's trade statements to be believed abroad if his agents are trying to destroy a center created to attract trade at home? Why are administration bureaucrats hurriedly trying to nullify the trade mission of this building? Why are administration spokesmen saying that the building will be preempted by one domestic agency,

the EPA, with only 58 of its 17,000 employees devoted directly to international matters? Why are the bureaucrats voicing an intention to defy federal law? Why are they precipitating not the first but a second confrontation with the Congress over this building?

The ICTC has been a continuing temptation for a rip-off by federal bureaucrats. They tried to hijack it for Justice Department units in 1988. Congress responded by barring Justice Department tenants, passing resolutions in the Senate and the House requiring that agencies related to trade and culture be housed in the building. In the face of this precedent, it is incredible that once again an attempt would be made to preempt the building for domestic purposes.

Congress funded this landmark building to house a variety of tenants whose high rents would allow the building to pay for itself. Foreign missions, units of embassies, and international trade entities can hardly be expected to move into an EPA office building. And there can be no justification for displacing international federal agencies that will help draw these upscale tenants and instead usurping the space with a domestic agency that will drive them away. The EPA should have a home. That home should not be the most exclusive address in town. Congress would never have appropriated \$650 million for a traditional federal office building. That investment must be protected not dissipated.

Congress intended this building to be the crown jewel of Pennsylvania Avenue finishing off a 20 year effort that began when President Kennedy noted the seedy condition of the avenue. Congress intended the building to help encourage trade and improve this country's global competitive posture and profile. I intend to see that the District of Columbia and the metropolitan region benefits and, above all, that our country benefits, as Congress intended.

No bureaucrat and no elected official, not even the President himself, can unilaterally change the law that mandates construction for a specific purpose. This is a government of laws, not men. Frank Hodsoll, the deputy director of OMB and Richard Austin, the administrator of the GSA, who have insisted on EPA tenancy of the building, should be supporting rather than challenging existing law. Mr. Hodsoll in particular sent word by one of the ICTC commissioners to a congressional hearing that OMB has no intention of destroying the international concept. His attempts to place EPA in the building and, it seems, to consider altering the building design, do just that.

Throughout, I have consulted with the relevant committee chairs and other members of the Senate and House. Later today, my office will be delivering a letter to the new White House Chief of Staff, Samuel K. Skinner, requesting that he take steps to avoid a second round of needless confrontation with the Congress on this issue, which began to build last year under his predecessor. Otherwise, I will be recommending hearings as soon as Congress returns, at which time I will introduce legislation to reinforce the original Congressional intent that this project be devoted to trade and culture. Our current languid international economic condition makes this major trade center more necessary than ever.

#### ACTION NEEDED NOW TO ASSURE ECONOMIC RECOVERY

(Mr. FLAKE asked and was given permission to address the House for 1

minute, and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, one of the discoveries that we made during the last few months as we have had opportunities to be in our districts and interface with our constituencies is that many of them are being laid off and many of them are losing their jobs and having uncertainties about how they will survive. Some will not be able to pay rent, and others will not be able to provide for themselves the basic amenities so that they might be able to meet the needs of their families.

In reality, we as a nation must come to the realization that when as many people as are being laid off or are otherwise put out of their jobs are placed out in the communities, many of them will become a part of the homeless population and they will suffer from various kinds of health problems. They will discover that it is almost impossible for them to be able to survive without coming to the Government for subsistence, either for welfare, or for unemployment benefits.

I believe that it is to the benefit of the Nation that we take a very good look at what we ought to be doing to speed the recovery so that we can assure that the amount of responsibility that the Government must assume for those individuals who, not by any fault of their own, find themselves having to look to the Government to be able to survive on an everyday basis will find they can indeed have their needs met.

Let us work together, Mr. Speaker, with the White House so that we can recover this Nation and allow it to be able to move forward with an economic base that for the future bodes well for all its citizens.

□ 1225

#### IN MEMORY OF HOSTAGES TORTURED AND SLAIN IN LEBANON

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MORAN. Mr. Speaker, today, I am introducing a resolution condemning the torture and treatment of the Western hostages in Lebanon and calling on the President and the international community to redouble their efforts to bring those parties responsible to justice.

Last month, we were all relieved to witness the release of the remaining American hostages held in Lebanon. It was truly a holiday gift for our entire Nation.

Our euphoria over their freedom, however, was sobered by the terrifying accounts of the torture inflicted on these American citizens and our memory of the torture and murder of William F. Buckley, Col. William Higgins, and Peter Kilburn.

Our Nation will never forget the agony and pain arbitrarily inflicted on these innocent American citizens and their families by these international thugs and criminals. William Buckley was tortured. His cries for help were unheeded by his captors as he slowly slipped into a painful and lonely death. Who in this Nation will ever forget the treatment of Colonel Higgins, a highly respected member of the U.S. Marine Corps who was serving as a member of a U.N. international peacekeeping force which was trying to establish some sanity in Lebanon. He, too, was tortured and murdered. He was later hung in front of cameras for the press. Finally, Peter Kilburn, who served as a librarian in the American University of Beirut with no ties whatsoever to the American military or intelligence organizations, was held for 15 months and then executed in retaliation for the American bombing of Libya.

We can never forget these men whose lives were taken by criminals acting outside of the law. We can never allow the agony and pain we felt with them to be softened by the passage of time. We can never allow those responsible for this most heinous of crimes to be given the impression that they are immune from punishment and accountability. Most importantly, we must never allow other individuals to feel that they can commit such crimes with impunity.

I hope my colleagues will remember those citizens of the United States held hostage in Lebanon and will join me as cosponsors of this resolution.

Mr. Speaker, I add for the RECORD my resolution, as follows:

#### H. RES. —

Whereas over the past 10 years, more than 15 citizens of the United States and 63 citizens of France, Great Britain, Germany, and other nations were seized against their will by terrorist groups operating in Lebanon;

Whereas such hostages were held for extended periods of time in solitary confinement, were deprived of basic human needs and adequate medical attention for prolonged periods, and were, in some cases, systematically tortured by their captors;

Whereas three of the citizens of the United States, William Buckley, Colonel William Higgins, USMC, and Peter Kilburn, died in captivity due to the torture inflicted upon them by their captors;

Whereas the ongoing conference among Israel, Jordan, Syria, Lebanon, and the Palestinian representatives holds the promise of peace in the Middle East and could lead to greater cooperation between nations in this region;

Whereas the failure to bring to justice the parties responsible for these crimes against international law establishes a dangerous precedent and give such individuals a sense of immunity from punishment and accountability: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) strongly condemns the treatment of William F. Buckley, Colonel William Higgins, and Peter Kilburn by their captors in Lebanon and the disrespect shown to their remains; and

(2) urges the President to work with the nations of the Middle East to seek the extradition of the individuals responsible for the torture and death of such citizens of the United States and to bring such individuals before an international tribunal for trial.

#### TOUGALOO COLLEGE USING STRATEGIC PLANNING TO AID SPECIAL MISSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues an article from a recent edition of the Chronicle of Higher Education. It featured Tougaloo College in Jackson, MS and the effort it is making to use strategic planning to move ahead academically and financially. Since taking over as president in 1988, Adib Shakir has set a steady course toward the future. He and his faculty and staff deserve a lot of credit.

#### IN TIGHT ECONOMY, TOUGALOO SHOWS HOW BLACK INSTITUTIONS CAN USE STRATEGIC PLANNING TO AID THEIR SPECIAL MISSIONS

(By Scott Jaschik)

TOUGALOO, MS.—The Yazoo clay on which Tougaloo College is built has historically been a financial drain. The earth is notorious for the way it shifts, undermining building foundations and running up maintenance costs.

In the next few years, Tougaloo officials believe they can turn their location—Yazoo clay and all—into a steady money supply. For the college is located to the north of the city of Jackson, smack in the middle of where local businesses and residents are relocating.

Tougaloo hopes to reap millions of dollars a year from a non-profit corporation it has formed, which will lease portions of the land to businesses seeking to establish operations in the area.

The amount of money Tougaloo hopes to receive is small in an era when leading research universities undertake billion-dollar capital campaigns. But higher-education officials say what is happening at Tougaloo is significant: A small, private, historically black college that a few years ago was in danger of financial collapse is using strategic planning to rebound financially and academically.

The idea behind strategic planning, which links long-term academic and financial goals, has attracted considerable interest in higher education in recent years. Supporters of the concept say Tougaloo is a model for how black colleges can use the approach to thrive, even in a tight economy.

Robert Fenning, who was consultant to Tougaloo when it started the planning process in 1988, says many black colleges have a sense of their mission but lack adequate funds, making strategic planning ideal for them. "Strategic planning is combining focus and vision with a means to assure adequate resources," Mr. Fenning says, adding that Tougaloo has done just that.

#### IMPORTANT ROLE IN STATE'S HISTORY

Tougaloo was founded in 1869 by the American Missionary Association on what used to be a cotton plantation. The 500 acre campus, dotted with cedar and oak trees with Spanish moss hanging from their limbs, has played an important role in Mississippi history. In the 1950's and for much of the 1960's,

it was the only place in Jackson where blacks and whites could meet to plan civil-rights activities. Later in the 1960's, Tougaloo students took the lead in many of the sit-ins that integrated Jackson businesses and public facilities.

The college also has a long-standing reputation for academic excellence in the liberal arts. While Tougaloo awards only 2 percent of the undergraduate degrees earned by Mississippi's black students each year, 40 percent of the state's black doctors and lawyers received theirs here.

Despite the college's proud history, it was in dire shape when Adib A. Shakir became president in 1988. As a result of Tougaloo's role in the civil-rights movement, local businesses shunned the college and state officials actively harassed its leaders until the 1970's, when bills were introduced in the Legislature to revoke Tougaloo's license to award degrees.

With no support from the local business community, and only minimal programs to raise money from alumni, Tougaloo's debt grew to \$2-million, about the size of the college's endowment when Mr. Shakir became president. Buildings were also in decay. Despite those financial problems, major tuition increases were out of the question. At the time, almost every student needed financial aid, and more than a third came from families with annual incomes of less than \$11,000.

#### 'FENDING OFF THE ALLIGATORS'

Robert K. Goodwin, executive director of the White House Initiative on Historically Black Colleges and Universities and a proponent of strategic planning for black colleges, says the colleges haven't taken advantage of strategic planning because many of their leaders face urgent financial crises like the one at Tougaloo. "It's like the old adage that it's hard to drain the swamp when you're fending off the alligators," Mr. Goodwin says.

Mr. Shakir says that black colleges, in responding only to immediate needs, miss the chance to find long-term financial stability. He says the colleges need "to resist the temptation to get caught up in the trees instead of the forest."

To that end, Mr. Shakir started an 18-month review of the college shortly after he became president. Senior administrators, faculty members, and alumni held a series of meetings to determine the college's goals and mission. Additional meetings were held to examine financial problems and ways to remedy them.

Black colleges don't have any choice but to develop "a clearly conceptualized mission," Mr. Shakir says, and only with such a mission will black colleges attract financial support and students. At Tougaloo, Mr. Shakir adds, the overriding goal is to give more black students a rigorous liberal-arts education and to encourage them to attend graduate school and to serve their communities.

#### SERIES OF GENERAL GOALS

Under the strategic-planning process, the college set up a series of general goals—such as linking dormitories and classrooms more closely, recruiting more faculty members, and improving the physical plant—for which specific targets were set. Each target has an estimate of the money and time needed to reach it.

Some targets are relatively quick and inexpensive to achieve. For example, Tougaloo's plan envisions obtaining \$5,000 in the next academic year to reclassify library books, using the Library of Congress system.

Other goals are long-term, such as expanding programs in gerontology that would meet job demands, link the college with state agencies, and help to provide for the needs of black senior citizens in the state. The plan calls for spending several hundred thousand dollars on the gerontology program over the next five years.

The plan also calls for the college to insure that academic requirements are related to its mission. Seeking to send students to graduate school and into leadership positions, Tougaloo requires all students to take a 56-credit-hour core curriculum, including public speaking; freshman seminars in which students discuss and write about books, current issues, and college life; and weekly assemblies featuring outside speakers.

#### PUBLIC SERVICE COMPONENTS

Many courses also have public-service components. Pre-medical students, for example, join their biology and chemistry classmates to volunteer in health clinics in the region.

The strategic plan is already attracting financial support. In recent years, Tougaloo has won grants for various aspects of the plan from the Bush, William Randolph Hearst, Carl J. Herzog, Charles Stewart Mott, and Surdna Foundations and the Lilly Endowment. Budgets have now been balanced for three straight years, and the college's debt has been reduced to \$600,000. The endowment, meanwhile, has grown to more than \$6-million.

Donors say that Tougaloo's strategic plan won them over. Jim Moore, vice-president for communications of the Mississippi Power & Light Company, says the utility's officials were so impressed with the "business-like, professional way that Tougaloo is managed" that they now give the college \$20,000 a year—even though the company normally gives only to public colleges in the state.

Mr. Moore says the company also helped create "the Tougaloo Cluster," a group of Jackson business leaders who meet to discuss ways their companies can help the college. Tougaloo has made new gestures to the business community as well, transferring management of its endowment from out-of-state companies to Jackson branch of Merrill Lynch and Company.

Mr. Shakir is now moving to make more improvements in the college's financial base. The plans to develop Tougaloo's land are in full swing, and if the effort brings in several million dollars a year, as hoped, it could significantly increase the ability of the college to expand its programs. Its annual budget is now \$11-million.

College officials are working to insure that the developed land contains a mix of businesses, homes and recreational and cultural facilities. In that way, he says, student and faculty members will also have more to do in the immediate vicinity.

In addition, college officials are making preliminary plans for a capital campaign with a five-year goal in the range of \$25-million. Mr. Shakir says about half of the money raised will go toward new construction and half for endowments for faculty and academic programs.

#### 1,000-PIECE ART COLLECTION

Instead of being used to build facilities for new programs, the construction money will support existing programs that need larger homes. For example, Tougaloo's 1,000-piece art collection, which is strong in the works of such black artists as Romare Bearden, Jacob Lawrence, and Hale Woodruff, will receive a permanent home if enough money is

raised. Currently, only a small portion of Tougaloo's collection is on display in the library here, although college officials have encouraged other institutions to borrow some of the pieces for traveling exhibits.

The improved planning at Tougaloo also has enabled the college to attract students. Enrollment this year is 1,000, up from just 650 in 1988-89. Under the strategic plan, enrollment will gradually reach 1,200. With 3,500 applicants for this fall's freshman class of 350, Mr. Shakir says the college can increase enrollment without reducing quality.

Bettye Parker Smith, vice president for academic affairs, says the students are attracted to the college "because they've heard from someone in their town that we will prepare them to have a better quality of life," adding, "They know that we make doctors and lawyers."

#### MANY GO TO GRADUATE SCHOOL

More than half of each graduating class goes on to graduate school, and the institutions that Tougaloo alumni attend have been vying to set up programs to attract the college's students. Both Boston and Brown Universities now admit select Tougaloo students to their medical schools during their sophomore years in college. And at the University of Alabama at Birmingham, officials who have planned a program to work with science students at black colleges in Alabama have decided to include Tougaloo as well, because of the success of its alumni in graduate school.

"There is a spirit at Tougaloo where the students and faculty are like family, and they turn out students who are well prepared for graduate school and dedicated," says Terry L. Hickey, dean of the graduate school at Birmingham.

Students say faculty members encourage students to attend graduate school by helping them to apply for internships and memberships in national honor societies. Students say that once they find out that professors will track them down in the dorms when they miss a class, they don't miss very many.

Says Mweni Ekpo, a double major in English and music who plans to be a lawyer: "It's just understood that everybody is going to be a professional somebody."

#### PROCESS HAS NOT STOPPED

While Tougaloo is on the upswing, the college's strategic-planning process has not stopped. Faculty members, academic departments, and administrators are constantly evaluating whether they have met the plan's goals and whether those goals need adjusting.

Faculty members say they don't mind the time that the process takes because they see the ideas generated in the plan being translated into reality. Says Ben E. Bailey, a professor of music: "The heart of how things get done here now is through strategic planning. We had planning before, but it was never systematic or carried out."

Mr. Fenning, the consultant who helped Tougaloo start the planning process, says that strategic planning works only if there is a commitment by administrators to make it a continuing process, and he says that has been the case at Tougaloo.

"One of the most positive things is that planning is still going on and I'm not there doing it," says Mr. Fenning, who is assistant vice-president for information resources management at Wright State University. "The success is clear, because they were able to utilize my services and carry the planning forward themselves."

#### HAZARDOUS MATERIALS TRANSPORTATION UNIFORM SAFETY ACT OF 1990

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MINETA] is recognized for 5 minutes.

Mr. MINETA. Mr. Speaker, on November 19, 1990, the Hazardous Materials Transportation Uniform Safety Act of 1990—Public Law 101-615—was signed into law. That law establishes registration requirements for specific classes of persons subject to the Hazardous Materials Transportation Act. It also requires payment of fees by these registrants. Some confusion has arisen over the applicability of fees to persons transporting bulk shipments that weigh 5,000 pounds or more. New subsection 106(c) establishes registration requirements for three classes of persons. Only two classes are pertinent.

First, new subsection 106(c)(1)(B) of the law requires registration by persons that transport or cause to be transported a hazardous material in a bulk package, container, or tank. It applies to packages, containers, or tanks with a capacity of 3,500 or more gallons or more than 468 cubic feet. Second, new subsection 106(c)(1)(C) requires registration by persons transporting or causing to be transported shipments weighing 5,000 pounds or more for which placarding is needed. Plainly, one requirement was for bulk shipments of a certain capacity, liquid or dry. The other was for nonbulk shipments weighing 5,000 pounds or more. Under section 117A, persons covered by these subsections are required to pay registration fees.

In an interpretation of that law, the Department of Transportation concluded that the second requirement contained in subsection 106(c)(1)(C) also included bulk shipments, dry or liquid, and thus persons transporting liquid or dry bulk shipments would have to comply with the registration requirements if such shipments weigh 5,000 pounds or more. This conclusion seems to totally ignore the registration requirement contained in section 106(c)(1)(B) which immediately precedes it, and which applies to bulk shipments.

Informally, the Department was informed that the committee believed its interpretation was erroneous. However, the Department persisted in its interpretation and formalized it in a notice of proposed rulemaking released on October 10, 1991. Pursuant to that notice, a category of persons apparently will be subject to the registration requirements in apparent contradiction of the act's intent.

The Department insists the only way to correct this situation is to make a technical change to subsection 106(c)(1)(B) to exclude bulk shipments. Last year, the committee reluctantly had agreed to make that technical amendment in the Pipeline Safety Act of 1992, which it will dispose of later this year.

Recently, however, the committee was informed by the Department and the Office of Management and Budget that because of the Department's interpretation of subsections 106(c)(1)(B) and (C), the fees which would be charged incorrectly to registrants under subsection 106(c)(1)(C) will be scored as income for fiscal year 1993. If they are eliminated after the administration submits its budget for fiscal

year 1993 and before the technical amendment is made, the resulting loss in revenue will have to be restored from other sources. The Office of Management and Budget insists that this will occur even though the interpretation by the Department of subsection 106(c)(1)(C) is erroneous and will be corrected by amendment.

Hence, the fees which would have been collected in fiscal year 1993 will be included in the budget even though the fees and their collection were not contemplated by the act.

The committee firmly believes that the Department should correct its interpretation of the registration requirement by amending the rules it proposed on October 10, 1991. The committee also believes that there should be no action taken to reflect the inclusion of fees in the budget that result from the assessment of fees on a class of registrants who were clearly not intended to be subject to such a requirement, and who will be excluded from the registration requirement by a technical amendment.

The committee will proceed to prepare and take action on legislation designed to affect the technical change before the Budget for fiscal year 1993 is submitted. Consequently, the legislation will be introduced and acted upon later this month.

#### FROM CAPE HOPE TO CAPE FEAR AND BACK AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, when the House last met, shortly before Thanksgiving, the President was unable to settle on a plan for ending the recession. There was confusion over whether he wanted the Congress to stay in session during December, or to wait for his economic proposals in the State of the Union Address.

Members of the White House staff and the Cabinet communicated directly to our leadership that the President would not be submitting a recovery plan in December, and that he wanted Congress to go into recess.

But, while most Members of the House and Senate returned home to their districts, several committees of the Congress remained in session to hear testimony about the economy.

Chairman ROSTENKOWSKI, in particular, had several exceptionally important hearings during which the President's economic advisers, the Chairman of the Federal Reserve, Members of Congress, outside economists and others gave their best advice about how to deal with the recession.

At the same time, many of us traveled home to our districts, and elsewhere, to learn more about how the recession was hitting working families and various regions of the country.

Over this period of time, we have witnessed extraordinary events at home and around the world. Nearly every day, we received a greater statistical appreciation for the depth and severity

of the recession and the deep-seated economic problems we face.

And I can say, from my own travels, in Missouri, Connecticut, and around the country, that the indicators of economic decline fail to describe adequately the human side of the story.

There is enormous tension and anxiety on the part of the American people, but they are also deeply interested in restoring their faith in the United States as the land of opportunity for themselves and for their children.

I believe, more strongly than ever, that real answers exist—not simply short-term fixes or gimmicks to get the President or his political party past the election—but structural and dramatic changes to restore confidence in our economy and recapture growth for our future.

My belief is rooted not simply in the resilience of our people—although resilient they are. My belief is founded upon the fact that we are entering a shining time of possibility for America in a world alive with positive change.

When Mikhail Gorbachev resigned, and the hammer and sickle was lowered from the flagpole above the Kremlin, a day of sacred meaning became a secular celebration of renewal and hope for everyone in the world.

While he is ostensibly a nonbeliever, and officially still a Communist, I do not believe it was by accident that President Gorbachev resigned on December 25. By choosing that day, Gorbachev signaled that the end of the Soviet Union was also a time of rebirth for people around the globe.

Although there is still violence and enslavement from Cuba to China, hundreds of millions of people are moving closer to democracy, free markets, and self-determination. Europe is engaged in a continentwide economic consolidation.

Across Eastern Europe, Latin America, Asia, and Africa, people are slipping the surly bonds of authoritarianism, communism, and mercantilism, and basking in the political and economic sunlight of liberty. Societies once ruled by an imposed choice of freedom or bread are now demanding both and, remarkably, they are making these demands in the context of democratic processes.

This is the verification of our values. These achievements validate the sacrifices of more than a hundred thousand American lives, trillions of taxpayer dollars, countless opportunities forsaken, and all that has accompanied our country's long and lonely watch at freedom's gate. This is our victory.

But now that the cold war is over, there is no exhilaration, only exhaustion. America's economy is in the icy grip of a recession that is nearly 2 years old. But the problem runs even deeper than the economy; it goes to the core of our people's confidence in our future.

The President, to his partial credit, discusses this, although he doesn't seem to get it.

At a press conference 2 weeks ago, the President said:

It's hard for me to explain exactly—I mean, to have explained the way that I can understand it—exactly why there is the degree of pessimism.

The Chairman of the Federal Reserve, Alan Greenspan, told Chairman ROSTENKOWSKI that—

[T]here is \* \* \* a deep-seated concern which I must say to you I have not seen in my lifetime.

I think the explanation for the gloom is obvious. America's energy is now found elsewhere around the world. And, since the 1980's, when the rich got richer, and a paper prosperity was built on debt, the United States has been stagnating economically—the American dream of upward mobility is beleaguered and on the edge of slipping away.

The 1980's ended with a measly 1-percent increase in median income; 1991 ended with the Government reporting a decline in the leading economic indicators.

Economic growth in the Bush administration has been slower than at any time in the post-World War II era. At this rate, the President's promise of 30 million jobs will take a century, not just 8 years, to fulfill.

Today, there are 16 million people who are jobless, underemployed, or too discouraged to look for work. This is the real unemployment rate, 12.8 percent—16.2 million Americans are suffering during this Republican recession, and millions of others are frightened that their jobs will be the next ones to go. Their fears are justified.

Corporate layoffs are occurring at the rate of 2,600 jobs per day. In December, General Motors announced that 74,000 good paying jobs would be lost to its workers over the next 4 years. Xerox, TRW, IBM, Allied-Signal, Tenneco, and other big corporations with longstanding reputations as lifetime employers are firing workers by the thousands.

Most of these are good jobs, and they are never coming back.

A vast majority of our citizens now believe that no one in the current generation will prosper as the previous generations did in the years following World War II.

I understand their pessimism and, if you spend just a few days outside of Washington, or if you look at people's lives through the lens of the media, you can understand it as well. Listen to the stories I was told in St. Louis, in Hamden, CT, and hear the chilling accounts of people across the country.

In a St. Louis living room, a couple told me they are now working three part-time jobs. The husband, who has been with a trucking company for 28 years, is so convinced he is going to

lose his job, that he is working week-ends at McDonald's. His wife has started two other part-time positions; they are both living in fear.

A man I met in Connecticut last month sent out 400 résumés, and he is getting no responses.

He and his wife are cashing out their life insurance policies just to make ends meet. He was nearly felled by despair when his daughter offered to give him the money in her savings account.

It's this way all over the country. Dream houses are up for sale. Retailers are padlocking their businesses for the last time, and cafe owners are watching cranes lower the neon signs with their names on them.

Idled fathers are brushing their daughters' hair in the morning after their wives leave home early to look for work. Layoff notices are page 1 headlines in local newspapers, and pink slips are being paperclipped to time cards. Families are terrified at the idea of catching a cold or finding a lump because they have no health insurance.

These are the anxieties of a country that has rounded Cape Hope and docked at Cape Fear. And what do these working families get from the White House?

Every citizen can read in the newspaper how the President's campaign advisers are bickering with the White House staff over whether to approach the economy as a political issue or something which needs the President's sincere attention.

Every worker with a fair mind and a decent memory can compare the President's new, rhetorical interest in fair trade with the dozens of decisions he's made in the last 3 years which suggested just the opposite.

Fifty years ago, Thomas Wolfe wrote:

I believe that we are lost here in America, but I believe that we shall be found. And this belief \* \* \* is for me—and I think for all of us—not only our own hope, but America's everlasting, living dream.

I, too, believe in the dream, but I also believe it can only be realized through comprehensive economic reform. It can only be realized through a plan that gives short-term relief to consumers yearning for confidence, but which also changes the way we approach education, public works, research, health care, and a number of other significant national issues.

A proposal to cut taxes on middle-class individuals, paid for by the very rich must be a centerpiece our new economic program.

Rather than rewarding the wealthy with another capital gains tax cut, we've got to get money into the hands of working Americans. Chairman ROSENBERG has offered a plan, which I have cosponsored, to provide relief for working Americans through a Social Security payroll tax credit. His plan is paid for by raising taxes on the very rich.

I believe that a revenue-neutral tax cut can help spur economic growth in the short term. While many believe otherwise, we need to recognize that putting money in the hands of middle-class working Americans, who have a higher propensity to spend than the rich, may well have a stimulative effect.

Tax cuts for the middle class is where our program begins, not where it ends.

We strongly believe that a comprehensive package must also contain other long-term investments that will ensure growth and prosperity.

Our proposal must also include substantial investments in programs to make us a high-skills, high-wage society. That means fully funding Head Start, increasing the access of middle-income students to college, and upgrading the training of workers through ideas such as school-to-work transition programs.

We should also add to the recently passed surface transportation bill to close the investment gap between the United States and Japan, with special attention paid to high technology transportation ideas.

We should pay for these ideas by breaking down the walls between defense and domestic spending, even as we keep the overall discipline of the deficit agreement in place.

We also need to pass comprehensive reform of the health care system aimed at lowering costs and providing more stable coverage. Skyrocketing health care costs borne by U.S. businesses have become a growing drag on American economic growth.

Funds that U.S. businesses could otherwise invest in activities to boost productivity—such as new plant and equipment and worker retraining—have been diverted to pay for out-of-control health benefit costs.

It's said that more than \$800 of the cost of each American-built car is attributable to health care costs. One of the most effective steps we could take to improve the competitive posture of U.S. businesses is to enact effective controls on health care costs.

Finally, I believe that we should use foreign policy on behalf of America's economic interests, such as demanding more defense burden sharing and open markets from our allies. The first test of this principle comes next week when President Bush travels to Japan.

The President's message to the Japanese should be simple and unequivocal: The days of one-sided trade arrangements are over, and the day of Japan paying more for its own security are upon us.

Nothing less is acceptable, and promises written on press releases are no longer to be treated as acceptable currency.

I hope earnestly that the President can achieve such results during his meetings with Japanese officials, and I

believe strongly that Congress must back up his negotiating posture with strong trade legislation to ensure that this new relationship takes hold.

We do not seek protectionism, isolationism, a fortress America, or a closed market. But we will not accept the old, existing arrangement where America's markets are open and Japan's borders are closed to American goods. It is a new day.

Every American alive or born since World War II has been living under a death sentence imposed by the cold war.

On Christmas Day, that death sentence was finally commuted.

We are living at a time when we no longer need to settle for survival, but can instead concentrate our energies on expanding freedom and prosperity for ourselves and others across the globe. It is this exceptional moment that must be the subject of President Bush's State of the Union Address.

In less than 1 month, the President will announce an economic program for America's recovery and renewal. Only then will we find out whether his new commitment to jobs, jobs, jobs, is more substantial than politics, politics, politics.

We'll know whether he shares our commitment to working families and rebuilding America, or whether he clings to his twin allegiances to the very rich and the status quo. We'll discover whether his vision extends only to next November or into the next century.

Programmatically, Democrats know what needs to be done. We need investments for economic growth, jobs and job training, greater access to education for the middle class, a reformed system of national health care, and a new foreign policy that comprehends the linkage between America's economic interests and our diplomatic objectives abroad. But programs are not enough.

We need to restore upward mobility in our society.

We need to renew what was uniquely an American social contract between government, industry, and working people that is becoming the common property of free people across the globe.

We need to recapture America's outward vision of daring and exploration; we need to enlist farmers, entrepreneurs, oil drillers, and teachers in an international effort to combat deprivation and secure prosperity for the newly awakened societies that are moving center stage.

The United States is too good, too strong, too historic a nation to remain caught in the waters around Cape Fear. Let us join the world in a voyage back to Cape Hope.

And let our national leadership have the wisdom, the courage and the vision to bring us there—more prosperous,

more united, and more confident than we are today.

□ 1245

Mr. Speaker, I yield to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I just want to commend the majority leader for once again bringing the focus to the economy and the state of our Nation. But I think it would be a mistake to think that this was something that began today or even began a year ago when we were debating with the administration whether or not there was a recession. It was almost a decade ago, in 1983 and 1982 that the majority leader led efforts in this Congress to try to give our industries a fighting chance. At that time the majority leader in particular, I recall, was attacked as being protectionist for uttering some of the very phrases that we are now hearing from the President of the United States.

If we had had the predecessor administration, the Reagan-Bush administration, on board to fight for fair trade back then, I think we would not be in this situation today when we look at the industries across this country that have been devastated by unfair trade practices. There is one company which I have talked about before, and it is so important, a small company in Montville, CT, Forea Corp., that makes tachometers and gauges for the automotive industry and for boat engines and other kinds of engines. They had a contract with a Japanese company and they were basically told that they had to switch to a Japanese manufacturer of the same product. They were not allowed to bid on the Hondas, the Toyotas that are made here in the United States.

So we are a decade late, not because of the Congress and particularly the efforts of the gentleman in the well in the Congress trying to fight to get attention to these issues a decade ago, but we have now got the administration's attention. So hopefully we can now join together. And it is not just automobiles. It is computers, it is insurance, it is almost any place that we have been competitive.

The old story, of course, was agriculture. They would not let agricultural products in. It is hard to imagine that we would take all of these cars but yet they would not give us an opportunity to sell some agricultural products. But we can go across the board.

So in this time when our economy has been so badly beaten we need to take a look at a couple of areas. The President, as we know, moved very forcefully in Operation Desert Storm. Part of the Operation Desert Storm was to go to our allies and to get about \$70 billion to pay for that military engagement. It is time for an Operation Domestic Storm. I know we have dis-

cussed this before. The gentleman from North Dakota [Mr. DORGAN] and others have worked on this, and I have been working on some legislation.

If the administration, if the President wants to keep as much as we have in Europe, and God knows why we would want to have a large conventional force in Europe today, then we ought to give him 120 days to go to our Japanese and European allies and have them pay that \$70 billion, half of what our presence in Europe and Japan costs, and bring that into the Treasury so that we can stimulate the American economy. If they do not do that, then we ought to bring the troops home.

A Hong Kong economist pointed out that if we brought about 200,000 or 300,000 troops home, which is almost all of them, but as we learned in, I think, Operation Desert Storm, we still have to move them to where the crisis is, whether we move them from Germany, or Groton, CT, or some other place in this country, it makes very little difference. That would restore about 40 percent of what we have lost in the economy.

How does that happen? Right now we take taxpayer dollars or borrowed money, more often than not, and we send it to a soldier in Germany, whose wife and family may be there, and they pay rent there, they buy in stores there. If that soldier was brought home, not released from the military, but just allowed to spend that money here, it would help the real estate prices and it would add about \$7 billion to \$15 billion in new economic activity to the economy.

Lastly, we are planning to spend \$32 billion on something called O&M on European facilities. That is operation and maintenance.

So think about the threat in Europe for a moment. There may be a threat from nuclear weapons, but having a large ground force does not help in dealing with some mad individual or fight between some of the provinces, or whatever we worry about in the post-Soviet Union era. A ground force is not going to help. If the Soviets, for some insane reason, wanted to invade Germany, they would have to go through all of Eastern Europe first, which is now emerging democracies, so a large ground force does us no good in Europe.

If we bring those folks home, it helps our economy, and that is the battle of today.

All too often countries have lost because they had their sights on the last battle. The Maginot Line in France as World War II began, the Bar-Lev Line as the Israelis in 1973 almost lost it. We had better focus on the economic position this country is in or we are not going to be in a position to have Cape Hope, as the gentleman pointed out. We have the resources, we have the technical ability. Our defense workers have the ability to go into nondefense areas.

Last, the thing I think that confused me or upset me maybe the most in the last session is that the leader and I and a number of other Members worked on getting some conversion funds to change over from defense to nondefense so that we do not deal with our workers as if they are disposable. We fought tooth and nail for \$200 million. The administration tied it up in knots. NICK MAVROULES finally had to hold some special hearings into why they are not releasing some of the funds. But the administration rapidly supported \$500 million to diversify the Soviet military-industrial complex. If it makes sense there, it makes sense here.

Again, I just wish that folks would go back and look at some of the things the majority leader has said in the mid-1980's. Had we listened then, I do not think we would be in the crisis we are today. Hopefully now that the President has joined us, recognizing that fair trade is critical, we can get some legislation through this Congress to deal with diversification and conversion, to deal with economic opportunity for our workers.

So I just want to again commend the gentleman from Missouri for his efforts.

Mr. GEPHARDT. I thank the gentleman for his statement.

Two points the gentleman made I think are worthy of underscoring. One is that economic growth, success, and prosperity is a multifaceted issue. There is not one thing that we can do that will make the economy march forward in a proper fashion and get us out of this swamp that we are in and to get wages and incomes rising.

□ 1255

There is more than one cause of our problems, as I have tried to say, and as the gentleman has tried to say. Trade is part of it, an important part, not the only thing.

The rules by which we trade, the defense burden-sharing, are a part of it.

We have been carrying most of it for 45 years while our major competitors have been doing far less.

Our own education, our own capital formation, our own training, our own health-care system, all of that is part of it as well. You have to look at in its totality. You have to deal with all of the causes and all of the problems simultaneously. You cannot just pick out one thing and say that is the problem, and if we solve that, everything will be OK. Would that it were that easy; it is not. We have to do all of it.

But one of the concerns I have had is that whenever we have talked about trade rules, people who are critical of that approach are quick to point out and want to say that if you have got the trade rules, to be fair, it would not make any difference. I think they are wrong. I think that is an important part of the puzzle, not the only part,

not the only thing, but it is an important part.

Let me just cite one fact that has sloughed over in all of these discussions about Japan and about trade. We have fought hard to get access to foreign markets. We have changed the exchange rate of the dollar vis-a-vis other currencies. It has had an effect on our ability to penetrate foreign markets. We have a surplus today with Europe.

If our products are so lousy, as some want to say they are, why do we have a surplus with Europe? It is a tough market, discerning consumers, at least as discerning as Japanese consumers. We have got a surplus. We are selling more there than they are selling in the United States. That indicates to me that the American economy is not all bad.

So I think that is an important thing that is not looked at, yet we have a \$42 billion persistent deficit with Japan, and so with Japan, the trade rules become a very important factor. That is why we have to address that issue simultaneously with health care, with education, with capital formation, with taxes, with all of the other domestic issues that are so very important, and burden-sharing, as the gentleman said.

So in closing, let me just say that we have a large agenda in front of us this coming year. I hope and I pray that we will deal with all of these issues simultaneously, and we will be unafraid to change fundamentally the way we have dealt with these issues in the past in our country.

I yield to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, I thank the distinguished majority leader for yielding to me.

You know, we began the 1980's with being the greatest creditor nation in the world. Today we are the greatest debtor nation. We began the 1980's with an annual deficit of around \$60 billion. Now it is up to around \$350 billion or \$400 billion.

During the 1980's, the average working man and woman in this country has lost in their wages, and their purchasing power, about \$1.20 or \$1.30 an hour.

This has been under policies in this country that we rewarded the rich and penalized the middle class and the lower middle income.

Our President is in Australia, I guess, on the way elsewhere to end up in Japan.

As we all know, that trip was planned back a long time ago, and nothing was mentioned about trade, because back then the administration did not even recognize that we had any problems in this country with our economy. Well, they finally recognized it. So now we have the President and a number of our leading executives flying around the world. But I would say that I wish them the best. I wish them the best.

But this administration is going to have to do a complete about-face in the

way they approach our so-called trading partners if this trip is going to mean anything, and if they do not come back looking very impotent.

We all know that a healthy U.S. economy means jobs for American men and women. In what is emerging more and more as a global economy, the availability of U.S. jobs is increasingly related to the trade arrangements we have with other countries. Between 1986 and 1990, 25 percent of the growth in private industry jobs was attributed to exports, indicating that the future of U.S. manufacturing relies heavily on exporting. In Western Europe we are running trade surpluses. However, overall this year the United States will suffer a \$67 billion trade deficit in merchandise products.

We will run a \$42 billion deficit with Japan, and a \$13 billion deficit with China. Textiles, the auto and auto parts industries, pharmaceuticals, and computer software are just a few of the American industries being decimated by these two "quote-unquote" Asian trading partners. It is clear that the future of United States manufacturing jobs will depend greatly on being able to reduce our trade deficits with Japan and China. Yet, besides a publicity trip to Asian countries, what is the administration doing to protect U.S. manufacturing jobs from unfair trade practices by these two countries?

The President's trade negotiators have all but abandoned our textile industry at the negotiating table. United States trade negotiators have essentially stepped back from GATT negotiations and allowed the GATT Chairman, who is a Swiss civil servant, to craft a take-it-or-leave-it trade agreement that will phase out the Multifiber Arrangement, the last line of protection American textile workers have against cheaply produced foreign imports.

This agreement, if enacted, will result in the loss of 1 million textile and apparel jobs and 60 percent of our Nation's textile industry over the next 10 years. Where are the benefits in free trade agreements of this kind? They are not in South Carolina textile mills in Anderson, Graniteville, and Barnwell. They are in China, India, Pakistan, and Indonesia—the very countries that will steal American textile and apparel jobs under the proposed GATT arrangement.

Forty thousand South Carolina textile workers—10 times that number nationwide—have lost their jobs to foreign imports over the last 10 years. How many more U.S. jobs will be lost in the name of free trade? And what exactly is the administration's position on trade with China? On the one hand there are threats to double tariffs on some Chinese goods, as well as investigations into Chinese trade barriers.

On the other hand, the President wants most-favored-nation trading sta-

tus for China, a nation that illegally transships textile products into this country to avoid quotas and steal United States jobs. Who is the President siding with, the Chinese or American workers? Currently, America absorbs one-fourth of China's legal exports. The administration has to muster the courage to use that leverage and negotiate a deal that is fair to American workers.

If we are going to preserve the ability of American men and women to manufacture products for consumption, both here and abroad, we must act now to preserve U.S. manufacturing jobs. If the administration hesitates much longer in getting really tough on China and Japan, American manufacturing jobs will be forever lost.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his fine statements.

Mr. Speaker, I yield now to the gentleman from Iowa [Mr. NAGLE].

Mr. NAGLE. Mr. Speaker, I thank the majority leader for yielding.

Mr. Speaker, with the majority leader's help, I would like to go back to that chart, because I think there are probably two stories there.

The gentleman cites correctly the 12.8 percent of the work force is suffering in the Bush recession. I looked at that, and the gentleman may have mentioned this, but I think if he has not, that bears repeating, that actually means that we are losing 2,600 jobs a day in this country right now.

I do not think that those are just the average McDonald's cutback or you cannot work part-time at Sears. I think those are quality jobs, and I am puzzled, and I wonder if the majority leader would share his observations with me that if we are losing jobs at that rate and we have been for some time, why is the administration waiting until some magical date at the end of January to announce what they plan to do?

□ 1305

I mean, for 2,600 individuals, men and women of this country who get up in the morning, have their coffee, get in their cars and drive to their jobs, every day the President waits with his economic rescue plan is another day that they do not have anywhere to go, that the economic condition of their family deteriorates and the stress on those families from unemployed parents increases.

Why is the administration waiting to come with this plan? Why are we not doing it now? Why did the President not ask us to be here today?

I know he is out of the country. That is not surprising. But what explanation can we offer to the American public as to why the administration seems so indifferent to the deteriorating condition of the individual Americans?

Mr. GEPHARDT. Well, the truth is, this should have been done years ago.

The involuntary part-time 6.5 million people has been growing year by year, with the discouraged workers of 1 million.

I will say that at least the President is going to Japan and trying to work on the trade problem. In my view, it is about 8 years late, but at least he is going there to do it and I give him credit for going and trying, but he must come back with more than a press release and a photo opportunity and a promise. There has to be concrete action.

The President has said, the Secretary of Commerce has said, the trade negotiator has said, that for every billion dollars of trade deficits, we lose 20,000 jobs. We have a trade deficit with Japan of \$40 billion. Obviously, if we had a even trade balance with Japan, just that one country alone, these numbers could come down by a million jobs, or a million people who have lost their jobs, or lost good jobs. So it is part of the answer. At least he is there now trying to do that.

I wish him well, but he must come back with more than a promise, but then we have got to go forward with a tax bill to help the middle-income consumer, with a tax bill that will cause investment and growth in our society, with education so that we get the trained workers that we need to take the jobs that we hope will be there; health care reform, so that we do not suffer the competitive disadvantage with these other countries and on down the list of things that need to be done. They have needed to be done for 8 or 10 years.

I do not know why we have not had that kind of leadership. I hope we will get it, and I can assure the gentleman that we together in the Congress must respond to that leadership and must try to pass legislation which will make some of these fundamental changes in the American economy. If we do not, then these numbers will simply go up.

Mr. NAGLE. Well, I agree with the majority leader. I was frankly gratified to hear him say that if the President presents to us a decent plan, then we, of course, I think will stand ready to endorse, embrace, support and fight for that plan; but I am afraid that the history of the past two administration causes me to be somewhat discouraged that the President's rescue plan is not aimed at the people on that chart, but is aimed at those executives who are pulling down salaries annually of \$1 million or more and are flying around the country with him.

I would like to think the President will come forward, but I am somewhat skeptical because so far these policies have not tilted in that direction. They have tilted toward the people who will never be shown on an unemployment chart, and that is our chief executives.

Mr. GEPHARDT. I understand the gentleman's skepticism. I think we

agree that trickle-down has been tried and has been found wanting and that now we need to figure out how to have a bubble-up economy where people who have been crushed have the ability to get back into the economy and to perform as I believe they can.

Mr. NAGLE. You know, it is kind of gratifying to hear Alan Greenspan, the Chairman of the Federal Reserve, go before the Ways and Means Committee here and give a rather stunning and direct criticism of Reaganomics on the record of the 1980's as we have ever heard.

The gentleman has been in this Chamber for many years saying that these policies of trickle-down are not going to work. They are not going to build the economy, they are going to erode the economy.

It is almost as if Democrats, self-included, become fashionable for saying what this President said when presented with that plan back in 1980, that it was voodoo then, it is voodoo today, and it will be voodoo for the economic policy of this country.

Mr. GEPHARDT. My hope is that in the State of the Union Address the President will be willing to make the kind of fundamental change from that program so that we can cooperate together to put an economic plan in front of the American people that will really get the result that we want.

Mr. Speaker, I thank the gentleman for his contribution today. I look forward to working with him and other Members of the House as we look forward to this State of the Union Address.

#### A NECESSARY REVOLUTION IN ECONOMICS

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I think our colleagues and citizens may find it interesting to read these two special orders back to back because they both address the need for change. They both address concerns about the economy and concerns about where America is going.

I am going to talk about the necessary revolution, applying common sense to our problems. I want to talk in a framework that I think is in contrast to the statements of the Democratic leader, but nonetheless fits the same sense of urgency and the same sense of concern.

I think America is at a crossroads and Americans know it. I think that Americans know we are winning the cold war and losing the competitive war. I think they know that we are defeating the Soviet empire, but that we are losing the domestic struggle against drugs, crime, ignorance, and

welfare. They know we are losing the world market to Germany, Japan, and Korea. They know we are losing faith in our constitutional system, that they do not see it working. They do not see their votes mattering. They do not see their leaders being effective. They do not see the structures their Founding Fathers gave them producing results, and so they are almost in agony.

They see Taiwan with an intelligent enough system that they have \$2 billion to invest in McDonnell Douglas when McDonnell Douglas cannot find that \$2 billion in America, and they know that is crazy, and that it means for their children a desperate struggle of a declining standard of living. They turn on the evening news and it resembles a death watch in virtually every major city of this country and they know that is crazy. You look at the results of schools and they know that even the best of our American schools score in the bottom third of Japanese schools mathematically. And they know that their children cannot survive in a world where that remains true. And yet they do not know what to do. And so, in desperation, they turn to term limitation and a substantial percentage turn to people like David Duke.

Because they are so angry and so frightened that they believe that an ex-Nazi, ex-Klansman is less of a threat to their future than the established political system. Now that, to me, is a terrifying concept, and condemns the current structure of politics in America about as vehemently as you can imagine.

In that framework, the Sunday after Thanksgiving I was on "Meet the Press," and at the end of it, I stepped off the set and the three reporters were chatting. The NBC Washington bureau chief, Tim Russett said, "You know, GINGRICH may be the only true revolutionary in Washington."

I thought about it for a while and I decided he is right at least about my position. I think there are other folks who are also revolutionaries. I am a revolutionary.

Taking the streets back from violent crime and drugs, so local TV news is no longer a death watch would be a revolution in every major American city. Replacing welfare with workfare and ending a process by which teenage mothers outside marriage and ignorant, irresponsible male children who have sex but are not fathers would be a revolution. Having schools that are disciplined, require homework, and beat the Japanese in math and science would be a revolution. Replacing the most expensive red-tape-ridden, litigious health care system in the world with a revitalized, health-oriented private system we can afford, and that would be available to everyone would be a revolution. Having Government bureaucracies that are lean, efficient,

courteous, and customer-service oriented would be a revolution. Having a tax code that favored work, savings, and investment, that helped create more and better jobs, greater productivity, and higher take home pay to make us the fastest growing industrial economy in the world would be a revolution.

Maybe my sense of the need for dramatic change has been influenced by two meetings with our leading management analyst, Edwards Deming. Deming wrote a warning. He said:

Transformation of American style of management is not a job of reconstruction, nor its revision. It requires a whole new structure, from foundation upward. \*\*\* Only transformation of the American style of management and of governmental relations with industry can halt the decline and give American industry a chance to lead the world again.

□ 1315

Dr. Deming wrote that in his book, "Out of the Crisis."

Now, Edwards Deming first lectured the Japanese on his concept of quality in 1950. Today, the highest award for productivity in Japan is the Deming Award. Deming's quality is a concept which has allowed the Japanese to develop extraordinary productivity. Yet it was originally an American concept developed by Americans and used by Americans. If we are again to create high value, based on high productivity, producing high take-home pay we must master the concepts of quality. That mastery will require constancy of purpose and the flexibility to engage in continuous improvement. Yet the welfare state's values and structures block the development of that quality. We believe America's survival as a prosperous, free country requires the replacement of the welfare state. The national transformation must start with a peaceful, political revolution.

#### WHAT IS AT STAKE

We believe this revolution is vital to the prosperity of Americans and the survival of America as a world leader. We believe the welfare state is literally crippling our country.

We believe another generation of drug addiction, violent crime, illiteracy, skyrocketing health cost, expensive litigation, and antijobs tax and regulatory policies will destroy America's capacity to lead and will permanently impoverish our children both economically and spiritually.

A world without a strong America will be less democratic and less governed by free markets. That world will be more dictatorial and more violent.

Therefore, we believe that our entire future is at stake. We believe the safety and prosperity of our children and the world's children is at stake.

We believe a revolutionary replacement of the welfare state is literally a question of success or failure, prosperity or poverty, safety or danger, both for our children and our country.

We believe it is possible in an opportunity society to offer health, learning, safety, and jobs to our poorest children in our poorest neighborhoods.

We believe it is possible to create the opportunity for every American to develop a more prosperous future while establishing a framework of security for senior citizens truly to relax in their retirement years.

In an opportunity society, Americans can dream again of a boundless future. In the welfare state, we're trapped in decay. That is why we are committed to fighting for the necessary revolution to replace the welfare state with an opportunity society now.

#### THE FAILURE OF THE WELFARE STATE

This revolution is necessary because the welfare state has failed both to achieve its goals and to reform itself. The welfare state has increased poverty, not decreased it. The welfare state has increased ignorance while spending more on education, increased fears about health while spending more on health care, increased fears about drugs and violent crime while ineffectively decrying the very violence it spawns.

The welfare state has proven most destructive in the cities it most dominates. It is precisely where the most money has been spent and the most bureaucrats hired that the welfare state has crippled and deformed the largest number of human beings. In New York City, Boston, Philadelphia, Detroit, Washington, DC, and virtually every large city, we have spent more on the welfare state and the result has been extraordinarily destructive of human lives and human hopes.

If any private business had mistreated people as badly as the welfare state has in our largest cities, we would have forced the business into bankruptcy and tried its executives for criminal negligence. The time has come to end the welfare state and to replace it with an opportunity society based on very different principles, processes, values, and goals.

We emphasize three principles: that this must be a change so complete as to be a revolution; that such a revolution is unavoidably necessary; and that our Founding Fathers gave us the political process through which the American people can peacefully enact a revolution.

#### A REVOLUTIONARY REPLACEMENT OF THE WELFARE STATE

First, we believe no reforms within the welfare state can be effective. For over a decade we have participated in partial reforms affecting welfare, crime, drugs, education, health, and the effectiveness of Government bureaucracies. By any reasonable standard, these reforms have failed.

We have concluded that the very values, structure and nature of the welfare state doom it to failure. It is impossible for unionized bureaucracies

with rigid work rules to adopt quality programs, to involve volunteers effectively, or to show flexibility and creativity in stretching scarce resources and setting priorities.

The core values of the welfare state when put into practice have the effect of protecting the criminal at the expense of the innocent. They have the effect of encouraging 12-year-old girls to have children. The welfare state is encouraging 15-year-old boys to promiscuously impregnate girls, in effect to father without becoming a father. These values have the effect of spending more and more resources on unproductive bureaucracies while taxing and regulating small businesses and job creators until they either leave for a better environment or simply close and kill the jobs they have created.

The list could go on but the principle is clear. Whatever the intentions of those who favor the welfare state, the effect has been devastating.

We conclude that it is necessary to replace the welfare state because its most fundamental flaws cannot be reformed. They cannot be reformed because they are the core of the welfare state.

We would replace its welfare values with opportunity society values based on work, savings, achievement and effort. We would replace its liberal values with conservative values including strong support of police, prosecutors, and prisons, requirements that prisoners work and learn, a determination to take every step necessary to defeat drugs and violent crime within the framework of our constitutional safeguards. We are committed to discipline, homework, and an achievement based educational system that can match the Japanese and Germans in math and science.

We favor the marketplace over bureaucracy as the primary mechanism to encourage change. We favor voluntarism and service to others whenever possible. We believe Government should be redesigned to reinforce the marketplace and voluntarism. We see a welfare state that is opposed to free markets and hostile to volunteers.

We believe the concept of quality taught by Deming, Joseph Juran, Phil Crosby, and others has to be applied to our Government as well as our corporations. Indeed, we believe every citizen must learn the key principles of quality so that our country can be committed to quality at all levels. Yet it is clear from any study of Edwards Deming's "profound knowledge" that the welfare state cannot possibly achieve quality. The process of continuous improvement, flexibility, and change required by quality is simply impossible within the current bureaucracies of Government. A quality change by definition must be a revolutionary change.

We favor a bold shift away from an absurdly expensive litigation approach

to malpractice and liability. We cannot continue to graduate more lawyers than engineers and compete in the world market. As President Bush has advocated for the last 3 years, we must shift toward arbitration, mediation, and conflict resolution processes. That would clearly be a revolution compared to our current legal system.

We believe in helping create American jobs. The current Government approach to business is that of an adversary, regulator, and policeman. That approach must be replaced by Government as the ally of American business in the world market. From antitrust to trade negotiations and to research and development strategies, American businesses and American workers are crippled when their own Government establishes one-sided rules and one-sided behaviors. These weaken American jobs but have no impact on foreign competitors. The opposite is necessary. Americans must work together as a team successfully to compete in the world market and create jobs.

We believe the burden of health care cost, red tape, and litigation is now a major handicap to American business in world market competition, a major burden to every taxpayer, and a threat to every American family. We must shift away from rigid centralized bureaucracy and absurd malpractice rules. We must maximize preventive health care, emphasize wellness, and provide incentives to reestablish the consumer's choice and consumer's responsibility while ensuring every American's access to health care. We must decentralize decisions on health care for the poor to State and local government, establish a commonsense approach to malpractice, and reestablish the commitment to having the best health and wellness system on the planet.

We believe education is a vital key to a successful, competitive American economy. The information-industrial revolution places a greater and greater premium on education and training. Since technology and competition are changing constantly, we will have to learn constantly. We need a thorough revolution in education to establish lifelong learning. We must create a convenient, easy to use approach that allows all Americans to learn as rapidly as possible and make as much progress as quickly as possible. We cannot write off millions of adults who need to keep learning. We cannot continue to lose millions of young people who graduate with inadequate preparation. There is no sector in American life in which the coming revolution is more necessary or more vital.

We believe the welfare state combination of welfare payments, rules for health care, and the Tax Code have created a strong bias against work, savings, and investment. Our major competitors all have tax systems that are

much more prowork, prosavings, and proinvestment. As a result they are building newer factories, buying newer technology, and creating greater productivity. Since higher productivity is the essential foundation for any real increases in income, it is the most vital economic goal of a healthy society. We must replace welfare with workfare for all able bodied adults under retirement age who receive Government checks. We must create a transitional process actually to encourage people to leave welfare by providing an opportunity to buy into basic health insurance as they leave Medicaid. We must reshape the Tax Code decisively to favor work, savings, investment and achievement. We want the maximum number of new entrepreneurs creating new businesses and new ventures. That will create the largest number of new American jobs with the highest productivity, the greatest value added, and the highest take-home pay in the world. We also want strong tax incentives for existing business to invest in education, training, new equipment, and research and development so its employees will also have the world's highest take-home pay. Only a thorough revolution in both the welfare system and the tax laws will create the kind of economic growth we believe the American people deserve and the American Nation needs.

We believe this new effort to create an economically dynamic America should include special efforts for urban and rural pockets of poverty. In order to create jobs for poor Americans, we believe in the strongest possible tax incentives, including zero capital gains, a massive investment tax credit for each new job, and special tax credits for hiring the hardcore unemployed and developing special job-related apprenticeship and training programs for lower income workers. We also recognize that inner city and rural America each have unique problems that must be resolved before prosperity can occur.

We believe no real job growth can occur in the inner city until we have truly won the war against violent crime and drugs. No reasonable person will invest in a war zone. Within our constitutional safeguards, we favor the strongest and most thorough measures in a combined local-State-Federal effort to ensure safety and impose order. We favor whatever steps are necessary to end the cycle of violence and drug use which are destroying our inner cities and killing our children, including a combination of additional police, special deputies, temporary prosecutors, temporary judges, and additional prisons, including the use of surplus Federal military bases as prison sites, and requiring work and study in prison.

We also believe big city bureaucracies must be challenged to cut their redtape for business by 50 percent and

to return to the number of municipal employees per thousand citizens they had in 1950. Ironically the more cities have decayed economically the more bureaucrats they have hired, the more taxes they have imposed and the more antibusiness regulations they have created. Big city governments have become antijob, antigrowth, antitake-home pay engines which devour their own city's future. Our revolution must take place at city hall for jobs and economic growth to return.

We believe rural America could be on the verge of a generation of breathtaking growth and an explosion of opportunities. The new technologies are shrinking time and space. With creative cooperation between Government and business and an appropriate set of economic incentives, including tax credits, it should be possible to bring world class education, health care, and job opportunities to the most rural communities. Fiber optic cable, satellite transmissions, and high-speed computing may revolutionize rural America for the 21st century even more fully than the railroads did in the 19th century. The bureaucracies, regulations, taxes, and subsidies of the welfare state focus almost entirely on subsidizing the past and, in the process, help block the future. We want to revolutionize opportunities for income, quality of life, education, and health care and expand the list of possibilities for rural Americans just as rapidly as possible.

We believe these opportunities must be available to all Americans without discrimination. We also believe the Government itself should not favor or enforce discrimination. We oppose quotas and set asides based on ethnic definition or genetic code. We believe in an integrated America in which each person in every part of the country should have the maximum opportunity to improve his or her life. We believe in affirmative opportunities for those from a culture of poverty or in genuine economic need. However, helping a millionaire's son or daughter because they fit the right quota, while denying the child of a low-income worker because they are in the wrong quota, is simply wrong. We also believe that any efforts to set up group politics based on quotas and set asides is inherently destructive of that ideal.

Finally, we believe that America is permanently tied to the world market and has a permanent interest in maintaining international security. We must learn to compete in the world market because we cannot retreat from it. The greatest productivity, the highest value added, the widest choice of products, and the greatest take-home pay are all going to be found by competing in the world market. To retreat from competition is to accept decay. We must be tougher in negotiating with our trading partners, but our goal

should be to increase American exports and to create American jobs, not to decrease imports and kill foreign jobs.

We believe that American involvement in the world must continue to include a strong military and foreign policy leadership role. The world will remain dangerous. In fact the end of the cold war may lead to an increase in violence around the planet. Because of the new technologies of mass destruction, increased travel by Americans, the worldwide communications and transportation system, and the interactions of the world market, it is clear that America and Americans may be more vulnerable in the future. Therefore, our national security requirements in the military, diplomatic, and intelligence areas will remain vital to our safety and security.

While we consider national security the first duty of Government, we do believe every commitment of defense and foreign aid developed during the cold war must be critically reexamined. We are living in a new revolutionary era with new national security requirements. In the new post-Soviet era, every military base, every aspect of force structure, every procurement item, and every dollar of foreign aid need to be critically questioned. Similarly, our intelligence activities need to be reexamined and restructured to meet the new requirements of American national security. We are just as prepared to be revolutionaries at the Defense and State Departments and with the intelligence agencies as we are with the domestic welfare state.

This is a necessary revolution. We believe this revolution to replace the welfare state is vitally necessary to America's prosperity and safety. We do not believe this is merely a matter of desirability or of ideological preference. We believe that continuation of the welfare state will kill jobs, lower the American standard of living, and end our ability to lead the world.

There is a quality revolution sweeping the planet which has an amazing impact on productivity. Companies that develop a process of continuous improvement, that focus intensely on the customer, that involve all their employees in training and improvement, and that apply Deming's "profound knowledge" are literally in a different era of productivity than those which don't. By applying the principles of Deming, Juran, Crosby, and their associates, it is possible to develop new systems, apply new principles, and achieve levels of effectiveness and quality that were historically impossible.

This quality revolution is a cultural revolution as decisive and as powerful as Henry Ford's invention of the mass production assembly line and Frederick Taylor's "Scientific Management." Just as the American system of mass production changed the world and

won two world wars, similarly the American system of quality, as taught to the Japanese and improved by them, is changing our world.

In the early 20th century, countries found that they had to learn the new mass production and assembly line system or simply be economically overwhelmed. Further, they discovered that their military power relied on the same revolution in production technologies.

In the late 20th century we are learning that we have to adopt the Quality Revolution, or we will cease to be competitive.

□ 1335

Those American companies that are intensely committed to quality, such as Motorola and Milliken, are making dramatic progress.

However, individual companies will not be able to save America. As Deming points out, our education system, our health care system, and our legal system are enormous handicaps to American quality efforts. Our work force simply is not educated enough to compete in the market. Our health and litigation systems impose economic burdens on American companies that their foreign competitors don't have to carry. These three failing systems are the equivalent of our entering a foot race carrying a 50-pound weight the other racers can ignore.

As powerful as it is, the Quality Revolution does not exist in isolation. Four revolutions are transforming the world. The four concurrent revolutions are:

- First, the political revolution;
- Second, the world market economic revolution;
- Third, the technological revolution; and
- Fourth, the cultural revolution, as people seek permanent values in a world of constant change.

The news about the former Soviet Union, South Africa, Europe '92, and other, virtually daily, events prove that there is a political revolution. A walk through any mall or store will convince you there is a world market undreamed of in your childhood. Microwaves, VCR's, cable television, and portable phones are small reminders of the scale and momentum of technologies that did not exist 30 years ago. It would be interesting to see how many families gave Christmas presents that were not available in the market even 5 years ago.

Finally, the revival of values seems worldwide and driven in part by a search for stability in a changing world.

With four concurrent worldwide revolutions underway, the only practical position is to favor a peaceful political revolution in the United States.

It is inconceivable that the current structure of the big city welfare state

can compete in a revolutionary world. The drug ridden, violence ridden, uneducated and unproductive neighborhoods that can be found in almost every major city are disgraces to the American dream. We owe it to the residents who have been denied safety, prosperity, and opportunity to replace the welfare state which has so thoroughly failed them. We owe it to the country's future to replace the welfare state everywhere and replace it with a proquality, protechnology, profree market opportunity society.

Failure to replace the welfare system will not merely be an ideological defeat for conservatives. The survival of the welfare state will cripple America in the 21st century and our leadership role in the world and will dramatically lower the standard of living for most Americans.

This revolution is truly necessary and not merely desirable. It must happen.

#### A PEACEFUL POLITICAL REVOLUTION

The Founding Fathers created a powerful system for each generation to have, to paraphrase Thomas Jefferson, its own necessary revolution. Our civil wars should be cultural and political, not military.

Ironically, at the very beginning of our Civil War, the only time we solved problems by violence, in his first inaugural address on March 4, 1861, Abraham Lincoln said:

This country, with its institutions, belongs to the people who inhabit it. Whenever they shall grow weary of the existing government, they can exercise their constitutional right of amending it, or their revolutionary right to dismember, or overthrow it.

Yet Lincoln was saying precisely that this is a political right to be exercised politically.

We have political campaigns led by candidates, rather than military campaigns led by generals. We use ballots, not bullets, and our battlefields are the precincts in which Americans vote.

Every citizen who has complained about taxes, bureaucracy, inefficiency, indifference, and ineffectiveness of the welfare state now has an alternative.

Most Americans are tired of violent crime, drugs, inadequate education, overly expensive health care, too many lawsuits, welfare that encourages decay and taxes, and bureaucracies that kill American jobs and weaken the American standard of living. If every person who is fed up with these failures will register and vote to replace the welfare state, the revolution will occur in 1992 and 1993.

We will seek to run candidates at every level—from school boards to city and county governments, State legislatures, and to Congress—who are committed to replacing the welfare state. We will fight for a revolutionary platform that will lead to the replacement of the welfare state.

The challenge to our generation of America is clear. America met chal-

enges in the cold war and in Desert Storm. We believe we can find just as much courage and commitment to meet the challenge here at home.

If you want jobs, you have to register and vote.

If you want a lasting standard of living, you have to register and vote.

If you want good education and health care, you have to register and vote.

That is our message to those who want change.

#### REVOLUTIONARY VISION, INCREMENTAL STEPS

We are not advocating a sudden, overnight, wholesale replacement of our current welfare state structure. We do not believe that any one group is able to plan and execute changes on the scale now required.

Furthermore, the lessons of the Quality Revolution clearly indicate that continuous improvement and constancy of purpose are dramatically more successful than sudden bursts of effort.

We believe the key is to establish the revolutionary vision of an opportunity society and the key principles which would distinguish that society from the current welfare state. As President Bush has said,

There is a better way, one that combines our efforts—those of a government properly defined, the marketplace properly understood, and services to others properly engaged. This is the only way—all three of these—to an American whole and good.

Then we would encourage every level of government to begin reforms and experiments designed to replace the welfare state.

HUD Secretary Jack Kemp's HOPE Program for public housing tenant self-management and ownership is one example of the right incremental change toward a revolutionary goal. Education Secretary Alexander's America 2000 Program is a clear effort to mobilize communities and recruit citizen participation to break away from the welfare state failures in education. Health and Human Services Secretary Louis Sullivan's commitment to preventive health care and his bold pronouncements on male and family responsibility are a clear break from welfare state values. Governors John Engler of Michigan, Tommy Thompson of Wisconsin, and Bill Weld of Massachusetts have brought about exemplary breakthroughs in welfare and health reform at the State level.

While Deming discovered "profound knowledge" in quality and Adam Smith outlined the principles of a free market over 200 years ago, the fact is that each community, State, and Federal department will have to learn the basic rules and then apply them to their own locality. America is too large and complex for any centralized approach to work.

Finally, just as Deming and other quality experts emphasize employee in-

volvement in creating a corporate culture of quality, we will need citizen involvement to create a quality replacement for the welfare state. Precisely because this is truly a revolution in vision, values, principles, and goals, there are virtually no experts to define the correct steps. In fact, the vast majority of so-called experts and professionals know exactly the wrong things. They studied the principles of the welfare state and the values of a philosophy that simply doesn't work. In many instances citizens will be much better off following their own instincts rather than relying on experts in a failed program.

We must establish the revolutionary vision, goals, values, and principles of the opportunity society and build a consensus that we are going to replace the welfare state. Then the cumulative impact of hundreds of thousands of small incremental steps taken in a decentralized basis will begin to build momentum. Once the process of replacement has begun, the creativity of millions of Americans in thousands of locations will ensure the success of an opportunity society and the demise of the welfare state.

As I had begun developing and looking at the process of replacing the welfare state, it is astonishing how often you see information that reminds you of the need for change.

For example, in Sunday's New York Times there was a page 1 story about the scale of fraud in workmen's compensation. According to the New York Times, 25 percent of the money paid for workmen's compensation in the State of Oregon is fraud. That is, the taxpayers paying increased taxes, weakening their take-home pay, and killing jobs to pay for pure fraud.

In California, the estimate, according to the New York Times, is that 20 percent of the workmen's compensation being paid out is pure fraud. There are lawyers and doctors who specialize in filling out phony fraud reports that they know are wrong, that they know are fraudulent, for people who they know are not sick, who do not have an injury, in order to let them draw the money.

Now, 20 percent fraud in California alone is \$2 billion—in California, \$2 billion a year. That means that we are taxing the people of California \$2 billion. If you are an honest, hard-working Californian, you are helping pay \$2 billion in additional taxes for pure fraud.

This is not arguing about exactly how big the benefits ought to be. This is not an argument about what we should consider to be illness. This is saying under the rules 20 percent in California and 25 percent in Oregon of the welfare state program for workmen's compensation is pure fraud. In one State alone, that comes to \$2 billion a year.

□ 1345

Now why should a family of four in California pay \$320 additional a year in taxes for pure fraud? And yet the welfare state, with its bureaucracy, with its value structure, makes it impossible to run that program in an intelligent, clear manner. This is more than just a matter of money; it is a matter of life and death.

As I was leaving Atlanta this morning driving to the airport, I listened to a radio report about a murder which even by the gruesome, barbaric standards of our age got to the city of Atlanta. Then I picked up the Atlanta Constitution on the way to the airport and I read the following article.

A suspect with "hatred in his heart," a crack addict, was charged with killing his parents, sister, and niece.

The accused had been paroled last month. Maxwell Winston, Jr., a crack addict described by one neighbor as a man with hatred in his heart, was widely known and feared by residents of his family's middle-class northwest Atlanta neighborhood. "He is bad. Everybody knows he is bad," said Barbara Batten, who lives two doors down on Chappell Road.

Winston, 30, charged Thursday with murder in the stabbing deaths of his father, stepmother, sister, and 5-year-old niece, was ordered to undergo a psychiatric evaluation.

Now, let me make clear the responsibility government in America has for this crime, and let me first of all remind us who the victims are. It just tears at my heart to read this list. Here is a situation where they print the pictures.

Maxwell Winston, Sr., 72, was found lying in bed in the rear bedroom. He had been stabbed twice in the neck and struck three times in the head as he slept. Mary Ruth Winston, 73, was found lying on the floor in the rear bedroom. She had been stabbed in the face and neck three times and struck four times in the head.

Valerie Winston, 31, was found lying next to the bed in the front bedroom. She had been stabbed twice in the neck and once in the chest and struck ten times in the head. Victoria Slaton, 5, was found on the bed in the front bedroom. She had been stabbed twice in the face and the neck area and struck four times in the head.

I wish I could show everybody on C-SPAN and I wish all of my colleagues could see a picture of Victoria Slaton, 5 years old. These four innocent people were killed. Who is Maxwell Winston, Jr.? What role does the government have in Maxwell Winston being able to commit these crimes?

This is his adult criminal history. This does not count his juvenile delinquency record. This is his adult criminal history. Nineteen seventy-nine, arrested for theft by receiving stolen property, two counts of burglary, one count of possession of tools for the commission of a crime. Nineteen seventy-nine, charged with rape. Nineteen eighty, sentenced to 3 years in prison, to serve 2 for 1979 property crimes, sentences running concurrently; paroled in December after serving 9 months.

Nineteen eighty-one, arrested on simple battery and criminal trespass charges; sentenced to 12 months for each disturbance, to serve concurrently; served 6 months, then freed. Nineteen eighty-three, charged with criminal damage to property; sentenced to 5 months, discharged after serving 5 months.

Nineteen eighty-four, probation revoked because of charge of criminal damage to property. Returned to prison for 6 months. Nineteen eighty-four, charged with criminal attempt to commit burglary. Sentenced to 10 years, to serve 8; served 4½ years and paroled in April 1989. Nineteen eighty-four, charged with attempted rape. Nineteen eighty-nine, parole revoked because of possession of cocaine charge and not reporting to parole officer.

Nineteen ninety, sentenced to 2 years for possession of cocaine, to run concurrently with the remainder of the sentence for burglary. Nineteen ninety-one, paroled on December 13; 1991, charged January 2 with four counts of murder.

In other words, this man got out 12 days before Christmas and 9 days after Christmas had killed 4 people. Let me say bluntly why I use the word "revolutionary." This is sickening, this is barbaric. No decent, civilized society would tolerate this kind of behavior. People say, "What can we do about it?" In this case four human beings would be alive today if Maxwell Winston, Jr., had simply served the time he was actually charged with.

He was charged with 3 years each on 2 counts. That is 6 years in 1979-80. He was charged for 12 months each on a series of counts in 1981. He was charged for 10 years in 1984. He was charged for 2 additional years in 1990. If this man had simply served the time he was supposed to serve he would be in jail until 1996 or 1997.

We are told, "Well, you cannot keep dangerous people in prison because we do not have enough prisons." Let me say this. I am committed in 1992 to establish the principle of prisons before pork. I am committed to hunting down every appropriation that we can find that is discretionary spending, that is some politician taking care of himself, and putting that money directly into prisons. I am going to be prepared to fight every rule on every appropriations bill.

This country ought to adopt a single principle for 1992 with crime, and that is in the next 18 months we are going to build enough prisons that there are enough beds that every violent criminal in America is locked up, and they will serve real time and they will serve their full sentence, and they do not get out on good behavior. If they have bad behavior they serve longer.

Then we ought to establish the principle that every prisoner ought to work and every prisoner ought to study. If

you had a 20-year sentence and you get out as a Ph.D. in mathematics and you can get a job, that is fine. But we are not going to have prisoners who sit around and watch color television and work on muscle machines so when the riots occur they are stronger than the guards.

I think prisoners ought to work 48 hours a week. They ought to be paid minimum wage and we ought to then charge them the cost of being in prison.

I think it is possible for a healthy, civilized society to rationally and calmly find a method to build enough prisons, to build them at a common sense cost. If that means we take three or four large military bases, and we have some bases out West that are that huge, and we lease the land to every State in the country and we allow them to build prisons without having to worry about neighborhood problems, without having to worry about a lot of other concerns, and we build a whole zone where we have prisons where prisoners are sent, then we ought to do it. If that means we use the National Guard engineering battalions to do all of the basic work to keep the cost down, we ought to do it. If that means we use common sense lowest-cost bids, we ought to do it. Whatever steps are necessary we should take. But Maxwell Winston, Jr., and the evil, barbaric people who are like him should not be on the street.

We have to communicate that if people are determined to be barbarians, we are determined to protect ourselves. We are determined to lock ourselves up, and some people will say to me, "You should not use the word 'barbaric.'" How can anyone, any American, look at these pictures in the Atlanta paper this morning, look at Maxwell Winston, Sr., at 72, or his wife, Mary Ruth Winston, at 73, or Valerie Winston at 31, who by the way was struck 10 times in the head, or look at Victoria Slaton, 5 years old, who had been stabbed twice in the face and the neck and struck four times in the head, how can we look at these people and not say they are Americans and they should have been protected? Something should have been done to save them.

We had it in our power if we had built enough prisons in the State of Georgia, if we had had enough commitment to set the right priorities in building prisons, this evil man would not have been on the street and he could not have engaged in his brutality and in his barbaric behavior.

I think every American should have a sense of urgency. Years ago, Edward Teller, the father of the H-bomb, asked the question, "How hard would you struggle to survive after a nuclear war?" And everybody in the audience said, "We would work incredibly hard." He said, "Fine. Then you ought to work that hard today to stop nuclear war from ever occurring."

□ 1355

Let me say the same thing. Every one of us know how enraged we would be if it was our daughter or our niece, if it was our sister or our parents who had been killed yesterday. We know how angry we would be. We know how much time we would put into doing whatever it took.

Is it not better in 1992 if you are not registered to go out and register, if you are not in the habit of voting to vote? If you do not have a State legislator whose No. 1 priority is building prisons and locking up criminals, whose No. 2 priority is having the kind of schools that have discipline and require homework and make sure that our kids are better than the Germans and the Japanese in math and science, whose No. 3 priority is to replace welfare with workfare so that every able-bodied adult under the age of retirement has to work if they get a Government check; whose No. 4 priority is to put common sense back into our health-care system so that every American can afford health insurance; and whose No. 5 priority is to bring quality to the entire Government so that we can get back to a lean, efficient bureaucracy that understands that its customer is the taxpayer, that when you show up at the Government office you are the people that pay the taxes for those jobs to be there, if you do not have local candidates committed to that, you ought to recruit them. If nobody else runs, you ought to run. But every time you hear somebody gripe, ask them are they registered to vote, are they prepared to participate in a common sense American revolution that applies common sense to Government.

Common sense would have locked Maxwell Winston up for 20 years. Common sense would have required Maxwell Winston to work in prison and have required him to pay for his own care and his own keep so that we make it so that crime does not pay. It is not a vacation, as NANCY JOHNSON told me that criminals and prisoners refer to it in Connecticut, and drug dealers in Connecticut refer to it as a vacation. They ought to work, and if they work 8 hours a day, 6 days a week, then they will know that prison is not a vacation. And then they ought to study 3 hours in the evening, because when you go to prison our goal ought to be to change you so that when you come out you have a job skill and habits of being a worker so that you do not have to go back to prison.

We ought to say to the violent criminals, "You're not going back on the street while you are young enough to be violent."

All of us have to have a sense of urgency. Yet in America, as Thomas Jefferson and Abraham Lincoln reminded us, all of us have the power to change America if we will just exercise it by running for office, by registering and

voting, by being a volunteer, by being involved. I do not care which party you are in. I am a Republican. I think, frankly, the Republican Party will be the party of revolution to replace the welfare state. But whichever party you are in, you ought to be actively involved, you ought to be committed, and you ought to insist on the absolute replacement of the welfare state and the future of the Victoria Slatons. Think of Victoria Slaton, 5 years of age, and what her future should have been. Instead of being brutally bludgeoned and stabbed to death, she should have gone to a decent school, had a chance to get good grades, known that there was going to be a safe neighborhood, drug free, known that she was going to have a chance to go out and earn a living in a community that encouraged jobs, and encouraged small business, and encouraged entrepreneurship, knew that her school was going to teach her enough and demand enough that she was going to score as high as anybody in the world, that she had as good a chance to learn math and science as anybody in Germany or Japan. That is what Victoria Slaton's future should have been. Instead, today she is going to be buried at 5 years of age, because all of us failed.

If all of us will get involved, if we can make 1992 the year we replace the welfare state, if we in the Congress will insist and set some priorities. Our No. 1 priority ought to be to be sure that Americans can be physically safe. Our No. 2 priority ought to be to pass a decent economic growth package so that we can get back to serious change and to create jobs. I referred a while ago to McDonnell Douglas. McDonnell Douglas is one of the most important industrial companies in America, a very important aerospace company. When they wanted \$2 billion additional in capital to build the new commercial airliner to compete in the world market, to create American jobs, they went to Taiwan because they could not find that \$2 billion in the United States. When my friends in the Democratic Party ask why do you over there want to cut capital gains, why do you want to cut the tax on people who save and invest, they ought to ask McDonnell Douglas. They should go to the headquarters in St. Louis of McDonnell Douglas and ask them why they could not find the money here in the United States.

We do not have a serious, deep revolution, peaceful revolution at the ballot box with candidates voting, doing things the American way. Nonetheless, we need a genuine replacement of the welfare state. If we do not take on that burden and that challenge and we do not solve it, then Alan Greenspan, the Chairman of the Federal Reserve Board, will once again come and testify as he did just 2 weeks ago. It was very eerie testimony. Dr. Greenspan, a very, very conservative, cautious profes-

sional, head and Chairman of the Board of the Federal Reserve Board, a man who clearly is troubled by the economy said that in his lifetime he had never sensed the disquiet that he feels with the American people today. Unemployment numbers, frankly, are not that bad. People should not be as anxiety-ridden as they are. They are not as bad as the recession was in 1981, but there is a difference. The difference is that in our heart we all know that America in its welfare state tradition is gone, that this welfare state cannot compete. You cannot have 12-year-old girls having a child, and you cannot have 15-year-old boys fathering five and six babies with five and six different girls, and have neither the mother nor father have any sense of responsibility, have any education, have any hope of doing a day's work. You cannot have a school system that graduates people who cannot do math and science, some of whom cannot even read the diploma they are getting. And we cannot have a Tax Code that punishes industry and jobs and savings and work and then expect to compete. The American people know in their gut that something is wrong, that it does not feel right, that for a decade the changes that looked good in 1981 did not get followed through on.

We thought in the 1981 recession like there was hope because Ronald Reagan had passed a program that led to a long period of economic growth. We saw the tax cuts coming in. We knew things were going to change. We saw the military buildup. We knew we could contain the Soviet empire. So in the early 1980's we had hope, and even though we got to a very high unemployment level, much higher than it is now, we felt that beyond the unemployment there were new jobs and new opportunity, and new dynamics and new entrepreneurship and new businesses.

We do not today believe that because the malpractice suits and the litigation, the cost of lawyers, the cost of health care, the cost of workman's compensation insurance, the cost of taxes, the cost of Government, the cost of welfare, all of those things have added up so that we are now at a point where we genuinely fear. I think every American fears that we are simply not going to be competitive in the world market, that our children and our grandchildren are not going to have the kind of future we had.

And then we watch the evening news. If you live near a big city or any big city and you watch the evening news, it is night after night of violence and brutality and inhumanity and barbarism. How can you watch that and not feel worried?

So I came today to simply say that I think Tim Russet was right. I think that I have concluded after 13 years of being in Washington that I am a revolutionary. I have concluded after trying to reform the welfare state that it

cannot be reformed. I have concluded for me that we have to be in the business of totally, thoroughly replacing it. We have to create an opportunity society. We have to set priorities. We have to establish the right standards. And I believe that together we can create a revolution. We can do it peacefully, we can do it with the political system, and if every American who wants a better future for their children and their grandchildren will simply register and go and vote in 1992 I believe we can change the world.

I just want to close with one sentence from President Ronald Reagan for those who think that I have described more than we can do. In 1981 in his first inaugural in January, the economy was collapsing. We were at 23 percent interest rates and 13 percent inflation. The Carter economic disaster was upon us. We still had hostages in Iran. The Soviets were still offensive in Afghanistan. Malaise was the big word in American politics.

It came time for President Reagan to give his inaugural address. I was sitting out here on the Capitol steps with my colleagues, and word began to pass among us that the hostages had been released, and they had just left Iranian airspace. Then Ronald Reagan stood up. The sky literally parted, the clouds disappeared, it became a blue sky. It was almost as though it were a movie script. At one point in his speech he said, "You know, we have every right to dream heroic dreams. After all, we are Americans."

It is in that tradition that I wanted to say every American needs to insist on a revolution, a peaceful revolution. Every American needs to insist on replacing the welfare state. Every American needs to insist that their children, their grandchildren, their nieces, and their nephews will be free from drugs, safe from violence, go to a school that works and have a job in the future.

Together I believe we can live that heroic dream. Together I think we can create an America that our children deserve.

□ 1405

#### THE FOUR ONGOING SIGNIFICANT REVOLUTIONS IN THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Madam Speaker, I am going to build a little bit off of what the gentleman from Georgia has just talked to the House about and also comment briefly on some of the things that the majority leader of the House had to say earlier.

I am going to try to talk a little bit about the circumstances that we find ourselves in worldwide. The gentleman from Georgia mentioned that I have

hypothesized in the past that we are undergoing four significant revolutions in the world at the present time, and that those four revolutions will drive the future. Well, that is a part of what I am going to talk about here this afternoon.

What I want to begin with is a little bit of advice I got back when I was first learning to drive high-speed racing cars. I was told by the instructor at that time that one of the things that you have to learn first of all is that you can never look at where you are but you have to look at where you are going to be, that the only way that you can drive a car fast is to focus well out on the track ahead of you, because if you are looking at the end of your hood that you will never be able to control the automobile at the kinds of speeds you are driving. You certainly will not be able to get it through turns; you will not be able to keep the car on the track.

Well, that is a piece of advice that I soon found out is absolutely essential in driving high-speed cars, but it is also something I think that we need to understand if we are to live in an era where events are changing the world so rapidly.

I say that because that is exactly what is happening right now. Everything is happening very rapidly, and literally we are undergoing revolutionary change in a very rapid setting.

What I heard today when I heard the majority leader talk to the House is someone who is not focusing on the road ahead. He is focusing instead on where we are and, in some cases, it sounded to me as if he was driving at very high speeds looking only into the rear-view mirror. The only way that you can go backward successfully is to look backward. If you want to go forward, though, you have to look ahead. You cannot be focusing on the rear-view mirror.

What we ought to be looking ahead toward seeing and doing in our day and age are the four simultaneous revolutions that are taking place worldwide. Those four revolutions are the political revolution, the economic revolution, the cultural revolution, and the technological revolution.

Just before Congress broke, I spent some time outlining what each of these revolutions means, and I will not go into it into great detail this afternoon, but just briefly, I think that it is well to understand the context in which I am speaking.

First, you have the political revolution. The political revolution is that which we see happening nightly on our television news screens. That is the revolution which has consumed the Soviet Union, dissolved the Soviet empire, and, in fact, dissolved the Soviet Union itself, and it has resulted in a series of independent states now called the Commonwealth of Independent

States, but it is more than that. It is also democracy and capitalism sweeping continents like Africa and South America and other places in the world where previously we have seen socialism and dictatorships on the rise. There is truly a political revolution being driven not just by leaders but by the people themselves.

What we have had in many nations in Eastern Europe and even in places like South America and Africa which are not as regularly on the news, we have had people rising up and demanding to take control of their own destinies, truly an amazing political revolution, one that we have had a chance to witness over the last 2 or 3 years.

We also have an economic revolution. I am going to go into that in some detail, so I will not discuss that at the moment.

But the cultural revolution to which I referred is multiple in nature. It is a revolution which is involved with all kinds of things that are happening in our everyday lives. For example, around the world you see a rise of religious fundamentalism. It is not just something which is happening in this country. We have seen fundamental religions arise, and interestingly, at the same time that some of the mainline churches, some of the mainline denominations have seen their membership falling off. People say, "Why is that happening?" Part of the reason why that is happening is because the mainline religions in too many cases have sought to go for the lowest common denominator at a time when people are seeking true values in their lives. The rise of religious fundamentalism in this country has been in part because people see their lives changing so rapidly that they want to find some mechanism to give them some sense of foundation, some sense of soundness in their lives, and they reach out to religion, and particularly to religions that have direct messages for people.

But that is happening also worldwide. The rise of fundamentalism in the Moslem world has influenced the political structures of those nations and has also caused much in the way of cultural and economic change.

There is a technological revolution. A technological revolution is sweeping the globe. It is a technological revolution that changes the ways in which we communicate with each other. We now get pictures instantly from anywhere in the world. When the war was taking place in the Persian Gulf, we literally watched the war taking place as it was happening. This was the first time in history we had had the opportunity to do that. That communications revolution is based upon technology. It, in fact, has helped inspire the political revolution, because it was part of that information base systems that influenced technology that allowed Eastern Europe and the Soviet Union and even

the people who attempted to revolt in China to rise up and use information they knew from around the rest of the world in order to drive their political revolution.

It is other kinds of technologies, our ability to travel rapidly to any part of the world. We now, in a matter of hours, can go anywhere in the world. That is a change in this generation over what has been the case in the past.

In the not-too-distant future that time is likely to be cut to minutes, that literally we will be able to travel anywhere in the world in a couple of hours by airplane, where we will be able to fly across the continent of the United States in 15 minutes. Think of how that will change the way in which we look at the geography around us and look at nations. So technology is also a major revolution and one which almost overnight can change the dynamics of a society.

But what is important about these four revolutions is that they are not singular in nature. They do interact.

I have mentioned how the technology drives the politics or how culture drives the politics. That is true of the economic revolutions, too. As the economic revolution takes place, that drives the politics of a situation, or it drives the technology, or it drives the culture.

Today what I would like to concentrate on talking about is the economic revolution, because as I have spent time at home, it is clear to me that the American people are rightfully concerned about the direction our economy is taking. They are concerned that we have not taken the steps necessary in Washington to deal with a rapidly deteriorating economy. They are concerned that their job may be on the line, that their homes are in jeopardy, that their ability to give their families a good education is in jeopardy, that there are things out there which are happening which are detrimental to their personal futures, and they are worried about that, and rightfully so.

They are concerned when they look at Washington that Washington does not seem to be responding at all well to what is happening, that Washington always seems to be behind the curve, that whether it is the administration or the Congress, we never seem to be able to get ahead of what is going on and so, therefore, the economy can never respond in ways which improve it and thereby improve the lives of the American people.

It is well, I think, then to understand why Washington cannot get ahead of the curve, because it seems to me that Washington has yet to understand that we live in a time of an economic revolution. It is an economic revolution unparalleled in the past 200 years.

The last time that we had an economic revolution of this magnitude

was back at the end of the 18th century when our forefathers were literally putting together the country and when our forefathers made a determination that they would go with a free-market economy based upon the writings of Adam Smith. But understand that they made that determination in a situation where the world had changed from a feudal economy to an industrial economy or to, I should say, a national economy.

□ 1415

What had happened was that you had a whole economic system based upon agriculture, that agriculture system had created wealth by basically land. If you owned a lot of land and you could grow a lot of crops, you tended to be a wealthy person. If what you could also do was hire a bunch of peasants to work for you, you became a lord of a manor, and that feudal system was the way in which the world worked for many, many centuries and had driven us toward the time when America was coming to be and when our forefathers were putting together the Constitution that we now know.

Well, that system was not going to work in the future. Now, some people at that time did not recognize that the feudal system was deteriorating and was going by the board. Some people thought the agrarian society of the past was still the way in which wealth would have to be created. There were people even writing at the time. There was a man by the name of Thomas Malthus who wrote a lot during that period of time in which he predicted that the world would starve to death, because what he saw was the feudal system deteriorating, but he did not understand what was going to replace it.

But the fact is there was another trend taking place. Not only were feudal economies becoming national economies, but the agrarian societies, the agricultural economy, was becoming an industrial economy. What took place at the end of the 18th century and throughout the 19th century and then rose to its greatest height in the 20th century was the development of the industrial economy.

What happened during that industrial economy was that we learned all kinds of new ways of creating wealth. We saw the rise of the middle class. We saw shopkeepers and merchants who derived their wealth from selling the products that were made in industry. We saw the change in our society from a society based purely on agriculture to a society based upon industry.

What I am suggesting is that we are in that kind of a situation at the end of the 20th century, that literally at the end of the 20th century we are moving away from the industrial economy into a postindustrial economy of some kind. We are moving away from national economies into a global economy, and

that those two major changes are ones that we have to understand if we are going to properly develop policies that assure the future of both the American economy and the economies of American families.

Let me talk first of all about that move from national economies to a global economy.

Let me first suggest that the reality of it is very clear to anybody who wants to look around their own homes. All you have to do is look at the products in your home and figure out how many of those products were made overseas, how many of the things that you have personally decided to purchase for your own home have been products that were made somewhere other than the United States. Then look at the reverse of that also. Look at the rest of the world and find out how much of the products made in this country the rest of the world is buying, and you will find that is also considerable.

We are the largest market in the world, which means the world sells a lot here. What we sometimes do not understand is that we are also the largest exporter in the world, meaning that the world buys a lot of what we produce here.

So the reality is that the United States trades globally and we buy globally. We are a Nation which is very much involved in this idea that the marketplace is not just the fellow you are competing with down the street or the fellow you are competing with in the next town or the next State. The fact is you are competing all across the world. Your competition if you are in industry or you are in a retail business is not just someone close by. It may be someone around the world.

When President Bush travels now to Asia, one of the important things about that trip is that it based upon that reality. President Bush is not ignoring the fact that this is what is real, this is what is happening. We are not going to change it.

The United States cannot singularly stand alone and say, "I'm sorry, we are not going to participate in the world's economy."

First of all, it would be a disaster if it were to do so; but second, it would be impossible for us to do so. For instance, one-third of all the raw materials we consume in this country comes from overseas, so that to back out of the world market would mean to back out of the raw materials that we need to generate our own industrial machinery, so we cannot do it, and President Bush is recognizing that.

President Bush has said that the main mission of his trip is to open those foreign markets more to U.S. products, and that is exactly the right formulation, because if we are going to have a global marketplace, what we have to do is assured that U.S. prod-

ucts compete fairly and equally in other marketplaces. We have to be assured that the products that are made in this country are able to be competitive in those other countries, competitive in the sense that we are not given artificial barriers that we have to clear in order to sell our products around the world.

Now, what has been the response of the majority leader and others in this Congress to the President's trip and to the advent of the global marketplace? To often what I have heard coming out of the Democrats has been a message of protectionism. They are basically saying that they do not think that this Nation can compete in a world marketplace, nor that it should compete in a world marketplace. Essentially, their message is the message of status quo. It is the message of big business, big labor, and big government. They have decided that they want to tie themselves to the past, that because the United States at one time dominated the world with its big business, because we at one time dominated the world with the big labor that went with that big business, because big government fed off of big business and big labor, that we should retain that model as our model for the future. It is a status quo model and it is wrong.

In the middle of a revolution, when the world is moving toward a global environment, you cannot erect walls around the United States and suggest that we can live independently. We can be independent only if we are willing to compete and compete successfully.

"America First" is a word that is now being used in the political sense. Well, America has got to be first, but it has got to be first by being best.

And what do we mean by being best? It means making the products here that are truly competitive in any nation in the world and then making certain that every nation in the world is willing to accept those products on an equal basis for the products that they have within their own country. It means that we have to do the things toward improving the quality of our products, as the gentleman from Georgia explained here just a few minutes ago. Anything less than quality products are not going to sell in world markets. It is simply impossible to believe that Americans are going to be able to turn out anything we want and sell them around the world, nor is anybody going to be able to sell those kind of products in our marketplace.

The fact is you have to have high quality in order to be able to compare; but it is important that we understand that we do have to be a part of that global economy, because not to be a part of that global economy is to become a second- and third-rate nation very, very quickly.

The second aspect and the second thing which is happening in the eco-

conomic revolution is the change into a postindustrial economy.

Now, do I mean by that that we are going to lose all our industry? No, not at all. In fact, industry is going to be made even more capable by the economy which is rising. Just as agriculture became better and more productive as a result of industrial tools, as the result of the ability to make machinery, just as agriculture became better, industry will become better because of the new economy which is rising.

What is the new economy? Well, I am not smart enough to tell you what that is, nor I do not think is anybody else at the present time. What we do know is that the economy is going to be based upon intellectual acumen, that the new capital of the future, where money is going to come from in the future, where you are going to create wealth in the future, is with intellect. Instead of with machines, instead of with muscle, we are now going to use the brainpower of mankind to create wealth. That is where the new wealth creation of the future will come from.

Now, we in this country are capable of being very competitive in that marketplace. We have been in the forefront of doing many of the things that have led to the intellectual economy. Our universities are still regarded as the finest in the world. We do basic research in this country, which is world class. We create new products which are world-class products. We need to be able to participate in this postindustrial economy. We cannot simply tie ourselves to the idea that we ought to keep in place everything which is and we ought not to allow businesses to restructure and do the things they need to do to compete in the new economy.

Businesses that were in the industrial economy are now finding it necessary to restructure themselves in order to compete in this new rising global intellectual economy.

GM recently announced that it was going to lay off workers, and that, of course, is a major tragedy for the workers of those families who are going to be affected by the closure of plants and other kinds of decisions that GM will make.

The reality of the situation, however, is that General Motors has more people in its white collar work force than Toyota Motor Co. has in its entire work force.

Now, the point being that you cannot compete in a global market with that kind of overhead, that at some point, whether it was a recession or not, General Motors was probably going to have to restructure itself, just as Ford Motor Co. a few years ago restructured itself substantially and Chrysler Motor Co. restructured itself substantially.

□ 1425

So, we are going to have to have a restructuring there. This is something

which was probably necessary within the context of the changing marketplace. It should not be seen as a failure. It ought to be seen as a part of what we have to do if we are going to be a nation committed to the future.

What do we do though about those workers who all of a sudden find themselves somewhere else? That is a legitimate question, and we need to be a nation committed to helping those people get the retraining they need in order to become a part of the new economy.

We need to be a nation committed, for instance, to lifetime learning. One of the things that we ought to have in our society is an ability to use the infrastructure which is already in place, our schools for example, not only to have our children learning in them, but to have adults learning in them, to use those schools at night as places to retrain workers so they can go out and get a job in perhaps the computer industry, or some other industry, if they lose their job in the auto industry. We have to allow the people to make the transition.

One of the comments which is often made is, "Well, they might make the transition, but it will be to lower paying jobs." Not necessarily. This Nation during the 1980's created 21 million new jobs. That is prior to the time when we produced the recession here at the end of the decade, but during the course of the 1980's we created 21 million new jobs in this country. Most of those jobs, interestingly, were in this new economy of which I speak. Most of those jobs were good paying jobs. There was a myth developed that they are all hamburger flipping jobs at fast food restaurants. No. The jobs for the most part averaged \$28,000 a year. Those are pretty good jobs, and they are the kinds of jobs that are available in a growth economy based upon an understanding of what is real for our future.

The postindustrial economy is also a different kind of economy in terms of selling products. It is a very segmented economy. Today, people sell very specialized goods, and so our industries and our ability with our intellect to use our computers and all of that are going to further segment the industry and sell almost customized products to people for specialized needs.

Look what has happened, for example, on tennis shoes, or sneakers I should say. When I was a kid, we bought a pair of sneakers, and we used them when we played basketball or tennis, we used them when we ran track. We did nearly everything we wanted to do in terms of play and sports in one pair of sneakers. Now people in many cases would not be caught dead on a tennis court in sneakers that were designed for basketball play. Today we have become very segmented, very specialized, in what we do in buying even something as simple as a pair of sneakers.

Mr. Speaker, that is the segmented economy coming into play, and it is how we are going to compete in the postindustry economy. We are going to have to sell those kinds of specialized products to the world.

When the U.S. steel industry restructured itself, it did mean that thousands of American steelworkers lost their jobs, but it also meant that U.S. steel became very competitive in a relatively short period of time. During the 1980's, U.S. steel, and by that I mean the U.S. steel companies, restructured themselves in ways which allowed them to more personally create steel products for particular marketplaces, and in so doing they have become once again world class competitors.

In fact, when I was in Brazil a few months ago, the Brazilians were complaining with the fact that they could no longer compete with United States steel in our own marketplace, meaning the United States marketplace, or their own marketplace, meaning the Brazilian marketplace. The steel from the United States had become that competitive in a relatively short period of time.

Mr. Speaker, we can do it, if we decide to do it and we do it right. It means though that the Government has to develop policies which recognize the reality of the new economy, and that is where Congress in particular has failed.

In the early 1980's, we had seemed to have gotten the message. Ronald Reagan came to office suggesting tax cuts, and he suggested the right kind of tax cuts. He suggested tax cuts that were aimed at getting Americans to save, and invest and produce more, and in 1981, we passed just that kind of a tax cut. We gave back to the American people substantial amounts of money in tax relief. But it was money that was also then aimed at assuring that some of the people, usually those in the upper end of the economy, were going to be able to pull money that they had been sheltering for a long time in investments that were very safe, low risk investments, but were also tax free, that they would pull some of the money out of there and put it at risk in the economy and, thereby, create new jobs. In fact, the 1981 tax cut worked very well.

That is exactly what we see happening, and, despite the mythology which is often spread on the House floor, we can go back and show reams of figures indicating that that is what took place in 1981.

Now what will sometimes be pointed out, however, is that all of that did not help the middle class very much, and, if we look carefully at the figures, we will find out why, because what they do is talk about the overall burden of taxation rather than just income taxation, and they should. The overall

burden is what affects the family, but what they fail to point out usually is that in 1983, we substantially modified what we had done in 1981 by passing a Social Security reform.

Mr. Speaker, the Social Security reform bill was one that was almost unanimously passed in the House. Everybody agreed that we had to do something to straighten out a Social Security system that was about to go bankrupt. But what we did in order to stave off the bankruptcy of the Social Security system was raise taxes significantly for middle-class America. We raised the withholding tax for Social Security, raised it significantly. It was a tax on both employers and on employees, and by so doing we changed the significance of the tax cut that we had given on income taxes in 1981, and so, for middle-class America, they ended up with very little in the way of a tax cut if we took the money they saved in 1981, but then took away the amount of additional taxes we were charging for Social Security.

Now what we probably should have done, could have done much better, is we should have reduced the income taxes to compensate for the increased Social Security tax. That would have, in fact, helped drive the economy forward. We did not do that, and we have paid the penalty since.

Some of my friends on the Democrat side of the aisle, many of my liberal friends, like to point to the figures from the 1980's and talk about the fact that the middle-class families ended up with very little improvement in terms of their tax standing, but what they usually do not talk to us about is the fact that the main reason for that is because of the enormous increase in Social Security taxes that took place in 1983 without a compensating cut in income taxes.

Then we compounded it, that situation in 1986, with a tax bill that was designed once again to be fairer and simpler, or so it was said, but also to bring down tax rates somewhat further. I voted for that bill. I sometimes think now it was a mistake to vote for it. I voted for it largely because I thought that the reduction in rates compensated for some of the other things that we were doing in the bill, but I think that, as the policy has played its way out, that there is reason to question whether or not that was an appropriate judgment.

□ 1435

I say that because what we did was, we raised capital gains taxes and thereby told people not to put their money at risk, not to save or invest their money, but, rather, to spend it.

We also did a triple whammy on the real estate industry. No. 1, capital gains has a direct impact on the real estate industry because it influences people when they sell real estate. But

it also was a case where we changed the accelerated depreciation that previously had been given to real estate, and we eliminated what was called passive losses in real estate, passive losses being those things which people who invested in real estate could take as losses against their taxes when they actually were losing money on the property itself. It was one of the things that made people think that they were taking a little less risk to put their money into real estate and thereby help drive the real estate market.

Now, had we done any one of those things, it probably would not have changed real estate very much. When we did all three, it in fact undermined the whole value of real estate in the country. What did that lead to? Well, it led to a number of things.

First of all, it led to an actual depreciation of real estate values in some parts of the country. People today now have homes worth less in actual dollars than what they were worth a couple of years back, and that has undermined people's confidence in the nature of the economy. That was the chief asset for many middle-class families, and now that chief asset has been undermined by policies that we developed here in Washington.

Second, we undermined the solvency of the savings and loan industry and the banking industry. Those particular industries have an asset base which is largely real estate-oriented. When you put your money into a bank, the chances are that its asset base is largely real estate. If the price of real estate drops, the assets of the bank drop. In the case of savings and loans, the entire asset base in many cases was real estate-based. So when the property values dropped, many of the savings and loans lost up to 50 percent of their assets. And guess what? The American taxpayer now has had to come in and bail out all of that money that has been lost in those savings and loans, and it is a tragic situation, one which is undermining our economy.

So the 1986 tax act had some real problems that I do not think a number of us recognized at the time, but I think in retrospect we now recognize there have to be some corrections to what was done in that year.

Finally, in 1990 we further compounded the situation when we passed the budget deal that was agreed to by the legislative leadership and the President and in that budget deal raised taxes in the middle of an anemic economy. That was the last straw. The economy simply could not stand any more. So while it had been struggling along, going up just a little bit at a time, very anemic but nevertheless still growing, that was the last straw.

When we passed the tax increase in 1990, we literally killed the goose that laid the golden egg, and the economy plunged into a recession. Now the ques-

tion is, can we return to policies that give us a chance to grow in a changing economy? I think we can if we are willing to look ahead and not backward, if we are willing to recognize that we live in revolutionary times and we simply cannot apply the old ways of doing things to the conditions of the present for the future.

I suggest the look-ahead has to have these features: First of all, the economy has to be global. When we look ahead, we have to understand that we are in fact competing on a global basis. It means a number of changes, policy changes here in the Congress, things we have to do. For example, we have to change our foreign aid policies. It makes no sense when we are competing with other industrialized nations around the world for the dollars of consumers around the world that we are taking a portion of our treasure and putting it off into foreign aid, which is largely a cold war mechanism. If we are going to have foreign aid programs in the future, they ought to be shared in by everybody. Japan, Germany, Great Britain, all of the nations of the world which are our trading partners, ought to play a role in providing foreign aid. It ought not be just Uncle Sugar doing it. We need to come up with some revised policies in that regard.

There is a tremendous desire for American products in the world market if we simply can get some of the policies straightened out. So we have to make certain we do things which feed upon that desire. As I said before, the President is doing the right thing by going to Japan and going elsewhere in the Pacific and suggesting that they open up their markets to our products, because what we know is that once the markets are opened to our products, they are products that are very much desired.

For example, in Japan, despite the problems in Japan, despite the problems we have getting our products into the Japanese marketplace, most Americans, I think, would be surprised to learn that on a per capita basis Japanese buy more United States products than Americans buy Japanese products. Let me say that again, because I think most people will probably find that puzzling. Japanese buy more per capita United States products than Americans buy Japanese products. The figure is this: \$427 per Japanese for American products bought; \$372 per American for Japanese products bought. The difference is, of course, that our economies are much different sized and our populations are much different sized, so overall we buy more from Japan than Japan buys from us.

But what the figure shows is that Japanese consumers are very willing to buy United States products if we simply will get those products into the marketplace and if we do a good

enough job of marketing them within Japan. So we need to make certain that our policies are not aimed at stopping products from coming into this country. We need to make certain that our policies are aimed at exporting from this country to other nations around the world.

Second, our economy for the future has to be progrowth. Jobs must be created by people willing to take risks with their money. That is the only way we can create jobs. Jobs are not just created because someone is willing to do it or because someone would like to do it. Jobs are ultimately created because somebody takes the money that they have in their personal possession and takes a risk with that money. They take that risk by going out and forming a new business; they take that risk by putting their money into the stock market; they take that risk by putting their money into a risk capital venture where they are funding someone else to get a business started.

The problem with doing that is that you stand a risk of losing it all. It is not like having the money in a bank or in a CD. It is not like having your money in a savings account. It is not like having your money in a retirement fund. It is taking all the money that you have in many instances and putting it at risk in the marketplace. We have got to encourage people to do that.

The questions that Americans need to ask themselves is, who is willing to do that? Are most middle-class Americans willing to take everything they own and put it at risk, knowing that they might lose it all, understanding that of all new businesses formed, about 50 percent go bust in the first 2 years?

Well, most middle-class families cannot afford to do that. They look at their family's future, they look at educating their kids, and they look at the need for retirement. They look at health care and all the things that face them, and they say, "I can't put everything I have at risk."

That is the reason why sometimes we hear people suggest that some of the policies that were advocated were policies aimed at the rich. In a sense, they are not aimed at making the rich richer. What they are aimed at doing is getting the rich to take their money out of protected shelters and taking some of what they have and putting it at risk. The rich do not have to put everything at risk. They are not like middle-class families; in order to form a business they do not have to take away all their savings.

□ 1445

They can take only a portion of what they have and put it at risk. But the fact is they are smart. If it is easier for them to keep the money safe, they will keep the money safe. If there is some

encouragement for them to put the money at risk, they will put the money at risk. If they put it at risk, it helps create jobs.

We need to develop policies like that, to take some of that money now sitting in shelters somewhere and bring it out into the active economy and make certain that jobs are created to fund America's future.

Our outlook, in addition to being progrowth and global, has to be antideficit. We can no longer afford to continue to pile up big deficits in Washington that thereby change the overall economic structure of not only this country, but the world. We can no longer afford to pay the interest on that debt. In fact, paying interest on our debt alone right now in this country costs us more in our annual budget than all the domestic discretionary programs of the Government combined. That is education programs, housing programs, agriculture programs, you name it, all of it under the discretionary budget of the Federal Government, the appropriated money that Congress puts out for things that are for this country, all of those programs combined do not add up to the amount that we now spend just to finance our debt.

We are in over our heads. We can no longer pile up those kinds of deficits and expect to have a healthy future.

That is why my colleague from Georgia, Mr. GINGRICH, talks about the need to reform the welfare state and reform the process of big government. It is absolutely essential, because we have got to drive down deficits. We can no longer afford within that welfare state concept and within big government to subsidize the rich.

That is where we ought to have a discussion, about the nature of how taxpayer money is used. My colleagues on the liberal side of the aisle continue to talk about the fact that it is not fair that the rich do not pay their fair share of taxes.

Well, I think a case can be made that the rich do pay a substantial portion of the tax bill. But be that as it may, what is even more unfair is the fact that we actually collect these tax moneys from taxpayers and then put it out and subsidize a lot of rich people in a lot of programs that we do. A lot of the programs of the Federal Government are programs that ultimately benefit very rich people. I think that at the very least one of the things we ought to do to bring down deficits is to stop subsidizing rich people with middle-class families' money.

We can no longer afford to fund non-essential spending. There is a real question when Congress has in its mind programs that benefit individual Members of Congress and which do them political good, but do the Nation no particular good.

It is clear that one of the things that we have to do is reform the spending

process in Congress to assure that only funds for the most essential things are spent.

We must cut the rate of Government growth. Government now is growing at a rate sometimes three and four times the rate of inflation. If we would simply bring down the rate of Government growth to the inflation rate, you could begin to move toward balanced budgets within a decade.

Now, it seems to me that is a very responsible and not all that onerous requirement, to suggest that we simply live with growth no more than what the economy is growing or what the inflation rate is. But, no, we grow at three and four times those rates. That is what we cannot afford to do. In essence, we must stop borrowing against the future, because what that means is reducing our ability to cope with that future. If what we do is pile up enormous debt, which means that the next generation and generations after that will spend all of their time just paying back the debts that we accumulated and spent during this era, it means that as all this revolutionary change takes place, as the economy changes completely, our children and their children will not have the wherewithal to cope because they are going to be paying the debts of the present era. That is irresponsible, terribly irresponsible.

My point here this evening is this: The economic revolution is very real. It is global in nature and is moving us into a postindustrial economy. It will not be met by looking backward.

As the gentleman from Missouri [Mr. GEPHARDT], the majority leader, offers new solutions and charts that are largely based upon his analysis of the past, that is not good enough. What we need is to be as revolutionary as the times in which we live. That is going to be a tough job, because it is a much greater challenge than simply looking at the past and suggesting we can still live in it. We cannot. The times are changing much too fast for all of that.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MORELLA) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. MICHEL, for 60 minutes each day, on January 29 and 30.

Mrs. BENTLEY, for 60 minutes, today.

Mr. SOLOMON, for 60 minutes each day, on January 29 and 30.

Mr. YOUNG of Florida, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GEPHARDT, for 60 minutes, today.

(The following Members (at the request of Mr. LAROCO) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. MINETA, for 5 minutes, today.

Mr. OWENS of New York, for 60 minutes, today.

Mr. GEPHARDT, for 60 minutes each day, on January 23, 27, 28, and 29.

Mr. OWENS of New York, for 60 minutes each day, on January 22, 23, 24, 27, 28, 29, 30, and 31.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

- Mr. SOLOMON.
- Mr. GOODLING.
- Mr. YOUNG of Florida.
- Mr. GILMAN.

(The following Members (at the request of Mr. LAROCO) and to include extraneous matter:)

- Mr. TRAFICANT.
- Mr. SWETT.
- Mr. SARPALIUS.
- Mr. LANTOS.
- Mr. BROWN.
- Mr. RAHALL.
- Mr. PICKETT.

- Mr. REED in two instances.
- Mr. TORRICELLI.
- Mr. MURTHA in two instances.

ADJOURNMENT TO WEDNESDAY, JANUARY 22, 1992

Mr. WALKER. Madam Speaker, I move that the House do now adjourn. The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 260 of the 102d Congress, the House stands adjourned until 12 noon Wednesday, January 22, 1992.

Thereupon (at 2 o'clock and 50 minutes p.m.), pursuant to House Concurrent Resolution 260, the House adjourned until Wednesday, January 22, 1992, at 12 noon.

## EXTENSIONS OF REMARKS

THE SALINAS VISION FOR MEXICO  
AND NORTH AMERICA

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KOLBE. Mr. Speaker, President Bush and President Carlos Salinas de Gotari of Mexico met at Camp David last month to discuss the North American Free-Trade Agreement [NAFTA] talks. The result was a unanimous commitment to vigorously pursue free trade and all of its benefits for all of North America. In essence, to paraphrase our U.S. Trade Representative, Ambassador Carla Hills, the two leaders agreed to let the substance drive the timing of NAFTA, not the timing drive the substance.

As a result, Congress may consider the passage of NAFTA this year. In the past year, each of us has been inundated with information regarding the potential effects NAFTA may have on workers and the environment. But I believe it is important to also understand the vision President Salinas has for Mexico, and how NAFTA plays a key role in that nation's future. Therefore, I believe it fitting to recommend to my colleagues the following address given by President Salinas to the membership of the Economic Club of New York on December 13, 1991.

## MEXICO-UNITED STATES

(Address by Carlos Salinas de Gortari,  
President of Mexico)

Members of the Economic Club of New York; ladies and gentlemen: I am very pleased to be here in the great city of New York, and I thank the Economic Club for their invitation. I would like to share some thoughts with you this afternoon on my country's economic development within the context of a changing world.

The international scene is increasingly surprising, and increasingly uncertain as well. Only two years ago we were celebrating the new adventure of freedom and democracy in Central Europe and also in Latin America. Today we are witnessing the resurgence of regional conflicts and war, and the threatened breakup of nations that just a short time ago seemed rock-solid. The world economic trend is toward more intense interdependence, leading more countries to become active members of the world economy and creating growing hopes for a world more open to trade and to the transfer of technology. But we are also seeing rising competition for capital—increasingly scarce, given the demands of the onetime socialist countries and those of Latin America—uncertainty in the markets, risks of new forms of protectionism, and obstacles to the success of GATT agreements.

Mexico, a country neighboring on your own, has been the cradle of magnificent civilizations and has a history forged by dint of determination and love of freedom. It is also a nation of more than 83 million inhabitants,

whose number grows by an additional 2 million each year. To us, the pursuit of economic growth and increased opportunities is not only good policy, but a vital, immediate need. We recognize that this cannot be done without making profound changes in our internal life and without establishing new links with other nations and particularly, given the importance of our trade relations, with the United States.

Within our borders, we Mexicans are taking a new approach in dealing with national and global realities. Sustained by three thousand years of culture and by our country's laws, we launched a process of far-reaching change in our economic structures and a renovation of our political practices as a society. We have maintained a strategy aimed at providing growth with stability, creating new employment opportunities and taking in-depth measures to combat poverty.

Today we see the results of our joint efforts. We have gone from the major deficits registered in the past to surpluses in public finances, and from triple-digit inflation to the current level of less than 20 percent, which we intend to bring down to less than 10 percent in 1992. We have increased government revenues and we have been carrying out a privatization process marked by its transparency, the formation of new industrial groups and a substantial influx of cash funds for the government.

In comparison to the past decade, the real value of our economy is greater and the public debt is smaller: the latter now represents 35 percent of GDP, whereas in previous years it had risen to twice that level. The reduction of our foreign and domestic debt has enabled us to restructure the distribution of public spending and channel almost half of the outlays into social areas such as the rural sector, education, health care, basic infrastructure and environmental protection.

We have recovered growth in the last three years at rates of almost 4 percent, which is almost double our population growth. We have carried out a unilateral trade opening of great consequence; in just a few years, our economy has been transformed from one of the most closed into one of the most open. We have deregulated and promoted foreign investment, which can now count on legal certainty and access to more areas of our economy. We have promoted technological innovation, technology transfers and exports.

We have also sought new linkages with the world to give us access to markets, technology and capital. We are convinced that only our own internal efforts can ensure the country's development, but also that it is essential for us to participate and broaden our presence in the world so that those efforts do not encounter obstacles in their path and will therefore prosper. Hence, we have diversified our relations with Europe, with the countries of the Pacific Rim and with Latin America. With Chile, we signed the first free-trade agreement between two Latin American countries and we are making solid progress toward the establishment of similar agreements with the countries of Central America and with Colombia and Venezuela.

We have embarked on important negotiations with the United States and Canada for

the signing of a Trilateral Free Trade Agreement, by means of which our countries would make up the world's largest market with 360 million potential consumers and a combined production valued at more than 6 trillion dollars. It is important to clarify its significance: in Mexico, we want trade, not economic aid; we want to develop our economy by means of stronger and better trade relations. The trilateral agreement will achieve that end by benefiting all three countries.

Through the agreement we wish to establish clear rules that will provide certainty for investment and job creation, expand specialized production in the three countries, take advantage of economies of scale to make companies more efficient and more productive, ensure access, without barriers, to the regional market and establish mechanisms for settling disputes. The agreement can attain these objectives.

Growth is a central topic in both our countries. For many years Mexico followed the path of protectionism and was inward-looking, depending on the domestic market. The crisis of the eighties showed that this model was outworn. In order to grow it is necessary to export and that demands competitiveness, technology and access to markets. If a protectionist view is taken, this does not occur and any drop in economic activity becomes a collapse, and recession becomes depression. For Mexico it took extraordinary efforts to open up the economy but it would have been far more serious to insist on carrying on along the old path. We have lived in a protected economy and are living today in an open economy. The results are conclusive. The only option today is increased trade and an orientation to exports in order to revive the economy. It is therefore surprising to hear protectionist voices raised when what is wanted is to make economic activity more dynamic. This is what the trilateral agreement seeks. For Mexicans, it is an instrument for making more rapid progress and modernizing the country. For the United States, it is a way to contribute to growth based on exports and competitiveness.

I am convinced that these negotiations do not merely involve adding or subtracting amounts and figures. We are also talking about a vision for the future of this region at the end of this century and the beginning of the twenty-first. We must bring the Agreement to a satisfactory conclusion because it is the only means of facing the future, which we are already witnessing today. Europe has the resources, the technology and the market needed to become a powerful agent of the world economy at the end of 1992. Furthermore, as a result of the Autumn Revolution of 1989 in Central Europe, the European Community now has the possibility of gaining access to abundant skilled labor. Japan has not only built up a powerful economy, but has also entered into partnership with other countries of the Asian Pacific, distributing productive processes and resources and thereby generating a great overall capacity for exports. In addition, the countries of the Asian Pacific have access, both as consumers and producers, to a market made up of nearly three billion people in Asia. Both blocs,

• 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.

Europe and the Asian Pacific, are formidable competitors who are increasing their capacity to gain access to markets day by day. It is in this context that the significance of the Free Trade Agreement should be viewed.

Although the United States still has the largest national economy in the world and has increased its potential together with Canada, its complementarities with Mexico could significantly raise its competitive capacity. Let us remember that 35 percent of Japanese manufactures are produced in conjunction with other Asian countries, whereas only 5 percent of U.S. manufactures are produced in a similar fashion. Hence the great potential of a Free Trade Agreement with Mexico: it means greater competitiveness for your country as well as for Mexico. In our case it would also act as an instrument of our own economic project that could give us the impetus needed to reach new levels of development. Resources, technologies and a young, energetic population structure could be brought together to make each country, and the region as a whole, more competitive and therefore more successful in dealing with competition from Europe and Japan.

When I say that the agreement is inspired by a long-term vision, I do not mean that we should be insensitive to the immediate concerns of sectors and groups in each of our countries. Some are worried by the jobs they believe would be lost if investment were channeled to another country, particularly to Mexico. There is no reason to believe that the Agreement will not lead to the growth of all three economies, to higher employment levels, without industries that pollute, in the three countries. This is not a zero-sum negotiation, but one from which all three countries stand to gain.

In fact, studies show that Mexico's unilateral trade liberalization has permitted an increase in U.S. exports, which now stand at 28 billion dollars a year.

Freer trade with Mexico has already created almost a quarter-of-a-million additional new jobs in the United States. We know that 25,000 new jobs will be generated for every billion dollars' worth of net U.S. exports. Those are the facts. Naturally, new jobs have also been created in Mexico as a result of greater investment and higher exports.

Let me repeat: Mexico will not accept polluting industries nor will it permit non-compliance with my country's labor laws. The productive association of our countries will be all the more valuable if we have mutual respect for each country's institutions and for our shared aspirations. We have a historic opportunity and I am convinced that this vision of our region's future will prevail.

Ladies and gentleman: by changing, Mexico has strengthened its presence in the world. It is now better prepared to meet the demands and challenges of an increasingly active economic interrelationship with the world. We have confidence in our 3,000-year-old culture and in the enormous creativity of our people. We view encounters with other cultures as an opportunity to enrich our understanding and our sensibility. I urge you to become better acquainted with my country and to support the efforts of both governments to pave the way for an era of exchanges and cooperation, similar to the relationship already being shown by many families along our common border. Let us make our condition as neighbors a reason to deepen our friendship.

## LET'S GET TOUGH WITH JAPAN, BUT WITH OURSELVES TOO

**HON. WM. S. BROOMFIELD**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, on the eve of President Bush's visit to Japan, there are plenty of us hoping the President will talk tough to Japanese Government officials and industry leaders.

There's a huge trade imbalance between the United States and Japan, and there's no doubt that Japanese policies have something to do with it.

But those who think America's economic problems will be solved by Japan are simply deluding themselves.

It's time to get tough not only with Japan, but also to get tough on ourselves.

The Detroit Free Press recently made an excellent case for some national introspection. "If the trade deficit were to vanish tomorrow," says the Free Press, "our Nation would still be afflicted by the gargantuan budget deficit, the fallout from the savings and loan scandal, corporate executives addicted to big salaries and short-term thinking, and lousy schools and crumbling infrastructure."

In other words, it's time for America to roll up its sleeves and tackle some problems that only we have the means to solve.

I insert the Free Press editorial in the RECORD:

### TWIN DEFICITS—PROTECTIONIST LEGISLATION WON'T SOLVE OUR DOMESTIC ILLS

America's \$42-billion trade deficit with Japan is the cause of our economic miseries, while our \$350-billion (and counting) federal budget deficit is not worth mentioning. Such is the premise of protectionist legislation advocated by several Michigan Democrats. The bill is an exercise in scapegoating, a bid for momentary political popularity that could work to our long-term detriment.

About three-fourths of the U.S.-Japan trade gap is in vehicles and auto parts. The new measure, sponsored chiefly by U.S. Sen. Donald Riegle, D-Mich., and House Majority Leader Richard Gephardt, D-Mo., would impose economic sanctions unless Japan eliminates its trade surplus with the U.S. within five years. The Big Three U.S. automakers applaud the legislation; the Bush administration opposes it.

Under the bill, the ceiling on American sales of Japanese vehicles—including those built at U.S. "transplants"—would be reduced from 3.8 million cars and trucks next year to 2.7 million in 1997, unless the trade deficit is cut by 20 percent a year and Japanese automakers greatly increase their use of parts from U.S.-owned suppliers.

The measure might make life temporarily easier for the Big Three, but the breathing room it provides could come at the expense of American consumers. If past practice is any example, car prices—U.S. and Japanese—likely would increase. A rising U.S. dollar would make our exports generally more expensive, threatening the jobs of other American workers. A trade war with Japan could just as easily invoke retaliation as capitulation.

Part of our persistent trade imbalance with Japan undeniably results from unfair trade practices. Sales of U.S. cars account

for less than 3 percent of the Japanese market. The U.S. Commerce Department ruled last week that Toyota and Mazda illegally "dumped" minivans in the United States by charging less for them here than in Japan. The department has not determined what permanent penalties to assess.

Working aggressively to dismantle barriers to free and fair trade in autos and all other industries—not to erect new ones—is a necessary objective for President George Bush when he, the Big Three chiefs, and other corporate executives go to Tokyo next month.

Indeed, tough talk already appears to be having some effect. Japanese automakers have raised the prices of many of their cars, including models built in the United States—and pledged to buy more American-made auto parts. Such promises aren't good enough for the protectionists.

Slapping a "Made in Japan" label on the recession doesn't make it so. If the trade deficit were to vanish tomorrow, our nation still would be afflicted by the gargantuan budget deficit, the fallout from the savings and loan scandal (which the Japan-bashing Sen. Riegle did so much to exacerbate), corporate executives addicted to big salaries and short-term thinking, and lousy schools and crumbling infrastructure. Whom shall we blame for these deficiencies?

Similarly, the Big Three—and particularly General Motors—still would have major structural problems. Past "voluntary" import-restraint legislation, designed to enhance competition, largely provided a pretext for U.S. automakers to raise prices—and profits—while Japanese companies moved into luxury-car manufacturing, built assembly plants here, and achieved a one-third share of the U.S. market.

The United States' trade surplus with Europe now exceeds \$20 billion. Will Sen. Riegle invite the European Community to dictate business practices to Washington and to U.S. corporations—or else?

But since lawmakers think the stick is more effective than the carrot in controlling behavior, how about legislation that would require the president and members of Congress to eliminate the budget deficit within five years—with those politicians' salaries to be reduced by 20 percent each year the target is not met? Any takers?

## RESOLUTION CONCERNING THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

**HON. ROBERT G. TORRICELLI**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I am introducing today a resolution expressing the sense of Congress with respect to United States policy on the issues before the United Nations Conference on Environment and Development [UNCED], and expressing the sense of Congress that the United States should pursue with the countries of Latin America and the Caribbean a cooperative strategy to address environmental concerns in the Western Hemisphere.

The UNCED, to be held in Rio de Janeiro in June, is the most important conference on the environment since the Stockholm Conference almost 20 years ago. The success of

the UNCED is contingent upon active U.S. participation and is crucial to the protection of our world's shared environment.

My resolution defines what U.S. policy objectives should be with respect to the issues before the UNCED. It expresses the sense of the Congress that the United States should place the highest priority on the success of the conference by participating actively, particularly through the personal participation of President Bush. The President's presence at the conference would signal U.S. commitment to lead the international movement to protect the environment.

My resolution also calls for the United States to work with its neighbors in Latin America and the Caribbean to address environmental concerns in the Western Hemisphere. In such a small world, the environmental problems of our neighbors are our problems, and demand our attention. The resolution also states that the United States should evaluate its assistance programs in the region to ensure that they reflect our national security interests by apportioning sufficient funding to environmental concerns.

In addition, the resolution I am introducing today expresses the sense of Congress that the United States should:

Negotiate with other parties to the conference international agreements that effectively reduce the threats of climate change and biological diversity loss;

Propose a financing initiative for the global environment that takes into account the concerns of developing countries and increases the accountability of the funds provided for environmental purposes;

Support programs aimed at encouraging a global transition to environmentally sustainable energy systems;

Support new programs to help developing countries become more energy efficient;

Support global goals of slowing deforestation, increasing worldwide forest cover, and preserving mature forests;

Support the development of a new international agreement to eliminate land-based sources of marine pollution; and

Promote public participation in environmental and development decisions at all levels—local, national, and international.

In the coming months, the Subcommittee on Western Hemisphere Affairs, which I chair, will conduct hearings on this resolution and on other important environmental issues in our hemisphere and with respect to the UNCED.

The health of our planet is in the balance at the United Nations conference in June. The Congress must take an active role in setting the conference's agenda and ensuring that the interests of the American people are represented at the highest level. I urge my colleagues to support this resolution.

#### OUTRAGEOUS PAY FOR AUTO INDUSTRY MANAGEMENT

#### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, this Member wishes to call the attention of his colleagues to

excerpts from a Lincoln, NE, Star editorial of January 2, 1992, entitled "Outrageous Pay Is Societal Problem." The editorial contains the following comments about corporate leadership salaries that is particularly relevant to the management of the American automotive industry:

#### OUTRAGEOUS PAY FOR AUTO INDUSTRY MANAGEMENT

As President Bush heads to Japan, the Japanese are making noise about this modern American propensity to pay top executives incomprehensibly enormous salaries.

The 21 businessmen going along on the Bush trip include 12 chief executives of major U.S. corporations. Their combined annual compensation last year was \$25 million, according to the Wall Street Journal—an average of more than \$2 million each.

By comparison Japanese chief executives are paid \$300,000 to \$400,000 a year, pay higher taxes and are expected to take voluntary pay cuts when a company gets in trouble. In Japan, top executive salaries get cut before any layoffs.

Nebraskans may rage over their tax money going to pay for \$100,000-plus salaries. But their hard-earned dollars also help pay for Roger Smith's \$1.2 million annual pension when they buy a Chevrolet, or Donald Petersen's \$6.5 million salary when they buy a Ford.

The typical chief executive of an American company makes 160 times what an average American worker earns. In Germany, the figure is 21; in Japan it's less than 20, according to Graef S. Crystal, a business professor at Berkeley.

If American automobile manufacturers' leadership like those at General Motors want their blue collar workers and the American public to believe they are serious they might well follow the Japanese example and cap all combined salaries, benefits and bonuses to no more than \$250,000 for top executives in 1992, with an appropriate lower cap for middle management. No doubt such a principle ought to also apply to many corporations and institutions—including Congress, Governors, and the White House—that cannot get their fiscal or competitive houses in order.

#### A TRIBUTE TO PAUL A. PUMPIAN

#### HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. IRELAND. Mr. Speaker, I rise in recognition and appreciation of a true small business champion, Mr. Paul A. Pumpian. Mr. Pumpian joined the U.S. Small Business Administration in 1978 as the assistant chief counsel for environment and health, Office of the Chief Counsel for Advocacy, and since 1980 has served as consumer affairs officer. The invaluable skills and knowledge Mr. Pumpian has offered to the Administration have been acquired through years of distinguished experience in both the public and private sectors.

Mr. Speaker, too often we paint civil servants in one color, but the achievements of Paul Pumpian, in a variety of professional positions, throughout his career serve as proof that such a perception is an unfair one.

A 1950 graduate of the University of Maryland School of Pharmacy, Mr. Pumpian went on to receive his J.D. degree from the University of Maryland School of Law in 1953. He continued the excellence of his academic career as he embarked on his professional career in the pharmaceutical field. He started as an assistant professor and chairman of the department of pharmacy administration at the University of Maryland. He went on to become a patent attorney for E.R. Squibb & Sons, Inc., and later became the executive secretary of the Wisconsin State Board of Pharmacy.

Mr. Pumpian's Government service began in 1966 when he accepted a position at the U.S. Food and Drug Administration. For 3 years he offered his already impressive experience to the Federal Government, serving as deputy director of the Division of Case Assistance, as assistant to the director at the Bureau of Drug Abuse Control, and then as Director of the Office of Legislative and Governmental Services in the Office of the Commissioner.

Mr. Pumpian returned to the private sector in 1969 where he continued to contribute to the betterment of society, holding such notable positions as vice president and general counsel for Medical Health Industries, and later president of Langer Medical Supply Co., Inc., both in Milwaukee.

Paul Pumpian became, in 1971, the first person to have served as executive secretary for two State boards of pharmacy when he took over that position in New Jersey—a true indication of Mr. Pumpian's eminent accomplishments throughout his career.

The lifelong achievements of Paul Pumpian and his success have not gone unnoticed nor unappreciated. In 1963, he received the Achievement Medal of the Alpha Zeta Omega International Pharmaceutical Fraternity, and in 1976 he was chosen Hospital Pharmacist of the Year by the New Jersey Society of Hospital Pharmacists. More recently, in 1991, the Alumni Association of the University of Maryland presented Mr. Pumpian their highest honor, the Honored Alumnus Award.

Mr. Speaker, I bring the attention of my fellow colleagues in the House of Representatives to this fine American because he is soon to end his career. On January 10, 1992, Paul A. Pumpian will retire. His absence from the Administration will be felt and regretted, but his contributions to the small business, and other communities, has resulted in improvements which will endure. I congratulate and commend Paul Pumpian on a lifetime of achievement and extend my best wishes for happiness in the future.

#### TRIBUTE TO KENNETH A. RAHN

#### HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Kenneth A. Rahn of Troop 2 in Narragansett and he is honored this week for his 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 community, 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. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, he did an outstanding job coordinating with the Narragansett Police Department in finger printing students at a local elementary school. Kenneth should be commended for his sensitivity to this issue and his remarkable leadership ability.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Kenneth A. Rahn. 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 Kenneth A. Rahn will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Kenneth A. Rahn undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

#### MEXICO'S ENVIRONMENTAL EFFORTS REQUIRE ECONOMIC GROWTH

##### HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. DREIER of California. Mr. Speaker, I have been following the negotiations of the North American Free Trade Agreement between Mexico, the United States and Canada closely. Critics of the accord have suggested that we should avoid increased trade because of Mexico's environmental problems. They argue that Mexico should clean up her environment before we proceed with open trade.

The Los Angeles Times points out in the following editorial that this argument is "akin to putting the proverbial cart before the horse." Mexico has demonstrated its commitment to a clean and healthy environment for her people. What is needed now are the resources to support the promises made by President Carlos Salinas de Gortari and Mexico's other political leaders. Without the economic development that comes from enhanced trade, Mexican revenues will stagnate and environmental restora-

tion will be forced to play second fiddle to social needs such as unemployment compensation and welfare benefits. I urge my colleagues to carefully consider the arguments made by the Times.

[From the Los Angeles Times, Nov. 29, 1991]

#### IT COSTS MONEY TO BE CLEAN

Mexico faces a daunting challenge in cleaning up its environment as it moves toward a free-trade agreement with the United States. As a recent series in *The Times* showed, Mexicans are already painfully aware of the enormous amount of self-inflicted damage that has been done on the road from a Third World nation of poverty to one of increasing industrialization.

Even as President Carlos Salinas de Gortari aggressively promotes free-market economic policies, he makes pointed—and substantive—gestures to show he is an environmentalist. He has, for instance, shut down government oil refineries and ordered his country's tuna fleet to protect dolphins. And he's not doing this just because environmentalists are among the harsher critics of his free-trade plan. He knows Mexicans want a cleaner environment—and want their government to get the job done.

The U.S. Environmental Protection Agency will work closely with the Mexican government to provide whatever technical aid it may need to better regulate pollution and decrease it to U.S. standards. EPA's specialists have found that Mexico's top environmental officials are every bit as competent and dedicated as their U.S. counterparts. What Mexico needs are skilled officials and specialists at the lower levels. Right now, it does not have the resources to train such experts, provide technical support and compensate them enough to make them resistant to bribes or other inducements to look the other way when they find pollution.

Mexico will never have those resources without new wealth. The quickest way to generate wealth is to open up Mexico to more economic development by Mexican entrepreneurs and by U.S. and Canadian investors. Arguing for strict environmental controls in Mexico before a free-trade pact is in place is akin to putting the proverbial cart before the horse. The political will to clean up pollution exists; the question is not whether Mexico wants to clean up its act, but how. A free-trade pact is part of the answer.

#### THE AMERICAN STEEL INDUSTRY

##### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MURTHA. Mr. Speaker, the recession has put much of the American industrial base in jeopardy. I want to report on an important part of this base, the American steel industry.

#### THE AMERICAN STEEL INDUSTRY: BACK AT THE CROSSROADS

During the past two decades Congress has faced some critical junctions in the history of the American steel industry. Without the actions of Congress and the Reagan administration, we would very likely have seen the American steel industry virtually destroyed.

In 1991, however, we saw a number of problems continue to develop. Moreover, the continuing recession has placed tremendous

pressure on an industry that has worked hard to modernize. Despite now being among the most efficient steelmakers in the world, the U.S. steel industry remains under attack.

As chairman of the House Steel Caucus, I want to report to you on a number of issues affecting steel communities, steelworkers, and the steel industry that I believe Congress must deal with in the coming year.

#### TRADE

It is essential that through a continuation of the Voluntary Restraint Agreement Program or through negotiations by the Bush administration that we extend the ceiling on foreign steel imports.

Foreign steelmakers continue to subsidize production and try to dump steel on the U.S. market. The VRA Program has worked excellently to insure competition and competitive prices, while still insuring that American industry remains strong and that we keep U.S. jobs. That type of policy must continue.

In the present international trade negotiations underway, the House Steel Caucus has played a strong role in working with administration negotiators to make sure that we keep in the law the strong trade policies that Congress has adopted. We must be very diligent in continuing to battle unfair foreign competition that tries to steal U.S. jobs.

#### GOVERNMENT PURCHASING

Recently, I introduced the Fairness in Federal Procurement Act.

The bill provides for extra incentives to make sure that U.S. tax dollars are going toward "Buy American" plans during times of tough economic sledding as we are presently experiencing. This plan also aims that aid at small businesses located in economically distressed areas. That type of policy must also apply to steel purchases by the government, so that taxdollars aren't going overseas but are going to keep U.S. jobs.

#### PENSIONS

Congress must begin the process of reviewing the pension laws and making sure that every worker's pension is fully protected.

The 1974 law has worked excellently to make sure that workers do not face another case such as Studebaker going bankrupt and reneging on its pension obligations. But with the present pressure on key sections of the U.S. economy, as highlighted by the LTV case, it is essential that we update this law to make sure that the full protection continues. Anything less is breaking a solemn pledge to American workers—a pledge that must not be broken.

#### HEALTH CARE AND ENERGY POLICY

While affecting every citizen and sector of the economy, the steel and auto industries are clear cases of why the entire economy needs to see action in these areas.

Continuing reliance on foreign oil, and the fluctuating energy prices caused by that dependence, continue to eat away at a major portion of steel industry expenses. A steady policy, based on U.S. production, will free funding for other vital steel industry needs.

While some people see health care as only a citizen problem, from my conversations I find industry personnel just as anxious to see reform and improvements. In our distressed economy, industry cannot keep facing the ris-

ing cost of health care any more than employees can, and it is another reason why we need quick action on health care reform.

The CONGRESSIONAL RECORD on steel policy is an excellent one. Without the aggressive actions by Congress we would have seen the destruction of a great deal more of the industry and many more lost jobs.

Now, we must respond again to potential crisis situations. I look forward to working on these problems in the coming year, and achieving as much success as we have previously.

TRIBUTE TO LAURA JEAN THOMPSON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KILDEE. Mr. Speaker, I rise before you today to pay tribute to Laura Jean Thompson, a pioneer in the field of education. Mrs. Thompson, presently a counselor at the Flint Schools of Choice, is retiring after nearly 35 years of exemplary service to the Flint community schools.

Formerly of Little Rock, AR, Laura Jean Thompson moved to Flint in 1956 with her husband, retired Flint Northwestern High School principal, Billye G. Thompson. She earned a bachelor of science degree in music education at the University of Arkansas, a masters of music degree at Indiana University, and a masters of science degree in counseling and guidance at the University of Michigan. Laura has applied this education to her work in the field of music education for Grambling State University, McCory High School in Arkansas and for the Flint community schools.

Laura Jean Thompson's commitment to the young people of Flint extends far beyond her career. Over the years, she has spent a tremendous amount of time on a variety of community projects and currently serves as a secretary on the Genesee County Commission on Substance Abuse Services and for the Metropolitan Chamber of Commerce. In addition, Mrs. Thompson is a member-at-large of the Zeta Beta Omega chapter of the Alpha Kappa Alpha Sorority.

Mrs. Thompson is also a member of the Advisory Committee for the United Way of Genesee and Lapeer Counties, the Rotary International, Flint Club, the Flint Area Links, Inc., and the National Association of Media Women. Most recently, Laura Jean Thompson was named to the State of Michigan's Employability Skills Assessment Test. Laura Jean Thompson works with teen parents in the nurturing program and is the director of the 25 voice community choir that bears her name.

Over the years, Laura Jean Thompson has received many honors and awards. She is most proud of the Urban League's 1984 "Volunteer of the Year Award," the Jack and Jill Club's 1987 "Family of the Year," the 1987 Michigan School Counselor Association-Secondary School "Counselor of the Year Award," and the 1988 Award of Excellence from the Michigan ACT Council. In 1990, Laura Jean Thompson received the "Sojourner Truth

Award" from the National Association of Negro Business and Professional Women's Club, Flint chapter, and the "Sidney Melet Award" from the Urban Coalition. During 1991, she has added to her collection of awards by receiving the Great Lakes Region Alpha Kappa Alpha "Helping Hands Award" and the President's Award for Metropolitan Chamber of Commerce.

Mr. Speaker, it is an honor and a privilege for me to ask you and my fellow members of the U.S. Congress to join me in honoring Mrs. Laura Jean Thompson. She has been and continues to be a drum major for education and peace in the Flint community.

GAZA STRIP BY WAY OF McDOWELL COUNTY, WV

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RAHALL. Mr. Speaker, I traveled in December to the Middle East, to participate in the annual conference of the American-Arab Anti-Discrimination Committee, held this year in Amman, Jordan.

As you might imagine, the conference was much about the historic Middle East peace talks, began in Madrid, and continued in Washington, DC, taking place between representatives of the Arab countries including Palestinians, Jordanians, Syrians, Lebanese, and the Israelis. My speech was about the urgent need to keep the talks going, to keep up participation and commitment on all sides, and about not giving in to the nay-sayers who predict that the talks will cease, or that even if they continue, they will come to no agreement among themselves. When I spoke, both at the conference and in my travels from Jordan to Lebanon, I urged my listeners to pay no attention to those who believe the peace talks are doomed to failure, but urged instead that they believe the talks are destined for success.

During my recent visit, as I have done in the past, I met with the King of Jordan and the President of Lebanon, and with many of their ministers, members of their parliamentary governments, and with prominent private individuals in their homes. All have a great deal at stake at this peace conference, and they are clearly praying for success, while remaining ever aware that it will take many weeks, months, perhaps even years, for agreements to be reached that recognize both the sovereignty of each nation-state, and the human rights of all peoples who reside in them. All want a just, and a lasting, peace.

Just as the Lebanese and Syrians joined us in enforcing U.N. resolutions with respect to the Iraqi occupation of Kuwait, so they now ask for equal enforcement of U.N. Resolutions 242, 338 and 425, the latter addressing Israel's occupation of South Lebanon.

But Mr. Speaker, the most startling revelation came as I visited the Palestinian refugee camps at Bekqua outside of Amman, Jordan. There I found individuals who are not only aware of the peace talks, but who were surprisingly up to date on what was being said, and not being said, at the conference table so

far. When we talk of how many nations of people have a stake in the outcome of the Middle East peace conference, especially the land of my grandfathers, Lebanon, we cannot lose sight of the fact that the Palestinians perhaps have more to gain by successful talks, and more to lose if they do not succeed, than any other nation of people. Why? Because that land, that territory, that used to be their homeland was taken from them—taken bit by bit until now the Palestinian people are nomads—living in Jordan, living in Lebanon, living in Syria, Kuwait and Egypt, living all over the world—and living in the occupied territories—the Gaza Strip and the West Bank—on land captured by Israel in its 1967 Six-Day War. For too many years they have been living wherever they can until the question—the Palestinian question—is resolved. In the meantime, wherever they are, they continue to struggle against their oppressors for human rights, the right to self-determination, for some control over their lives. Some would call it the struggle for autonomy which, no doubt, will become the buzzword for peace talks in 1992.

As I have been in the past, I was struck, Mr. Speaker, by the similarities between the plight of the Palestinians and the people I represent in Congress who live in the heart of Appalachia. For decades both have had to struggle against their oppressors, under similar living conditions.

In Appalachia, coal mining families in the past struggled against oppressive coal moguls and have had to live in dirty, poverty-stricken coal camps—much like the Palestinian refugee camps in Lebanon and in Jordan—because they owned nothing, not even the ground that produced their livelihood—Appalachian coal. They had no control over their destinies, no self-determination concerning where or how they would live, but were kept pressed beneath the heel of coal operators who owned the underground mineral rights to the black gold they were paid a pittance for too many years to dig out. And if they lost their lives doing so, if not to mine disasters, then to rampant occupational disease, they were buried in nearby potters fields, their families cast off coal company property, ousted from the pitiful shacks they called home—for now their man was no longer alive and digging in the pits.

Yes, Appalachia was occupied, and thus Appalachia's people were beholden to their occupiers for housing, for food, for water, for heat, for clothing, for education, and for medical care—all of poor quality and of little durability. Coal magnates owned the mineral rights beneath the land, and even when they did not own the land topside, they controlled it to the extent that no coal miner could hope to ever own his own acres, or his own home. Instead, they lived in gerry-mandered housing which were little more than shacks, and they paid rent to the coal operators for these hovels. None of these homes boasted running water, or indoor toilet facilities; families drank and got their cooking and laundry water from community pumps, or mountain streams, and used outhouses for their bodily needs.

One complaint, one misstep or infraction of unspoken and unwritten coal company rules by an Appalachian coal miner, and he knew he would find himself and his family evicted,

his few belongings thrown into the mire of coal dust and mud along unpaved roads. What about medical care in the coal camps? I personally visited doctors' offices in the Bekqua camp, and I can tell you that coal miners and their families received about as much as is given to Palestinians in the refugee camps today. As a rule, coal companies hired one doctor who was responsible for the care of literally thousands of coal miners and their families living in hovels—and if they were lucky enough that their sickness or disease came upon them during normal working hours, they could use the company store telephone to summon the doctor to stop by, for few coal miners had a telephone of their own. If something happened, an emergency, during non-daylight hours, they either had to wait, suffering and risking death, or to walk out of those narrow hollows, their footsteps lit by a coal miners' lamp, to find help, for few had their own transportation.

In Appalachia, relief came only after the coal miners' intifada—known as unionizing. It often began with stone throwing too, but it also included bloody battles along mountain ranges between the oppressors and the mine workers. At one point in time, it involved the intervention by the United States when soldiers and aircraft were sent in to help put down the coal miners in their struggle for basic human rights. In the occupied territories, the Palestinians have instigated their intifada—as a gradual exercise of Palestinian sovereignty even under the heavy heel of their occupiers—as their attempt to recuperate from the spheres of decision-making and occupying authority that has gone on too long.

The Appalachian coal miners had their John L. Lewis to help lead them out of bondage; the Palestinian are awaiting their Israeli De Gaulle—one man who will seize their hand in peace and freedom.

Upon my return from the Middle East, with the Palestinian refugee camps and their haunting similarity to Appalachian coal camps still assailing my senses, I came across an article which was written by a West Virginia attorney, Robert Rodecker who, like me, recently visited Gaza. The article he wrote, which appeared in the *Charleston Gazette*, is entitled "Gaza Strip by Way of McDowell." It caught my attention not only because of the similarities in our comparisons of oppressions suffered by Appalachian coal miners and Palestinians in Gaza, but also because McDowell County is one of the counties in my congressional district. In McDowell County unemployment among coal miners is still above 50 percent in some areas, and is a place where poverty still plagues those who live in coal camps in coal-company housing, up and down the hollows. I submit the article, written by Robert R. Rodecker, for reprinting in the *RECORD*.

GAZA STRIP BY WAY OF McDOWELL  
(By Robert R. Rodecker)

In 1974, as a young inexperienced attorney working for a public interest law firm in Charleston, I was asked by Rep. Ken Hechler to look into a matter involving some of his constituents in McDowell County. It seemed that a coal company wanting to remove the top of a mountain to extract several seams of coal felt the need to have the people in the area evacuated in order to eliminate potential liability problems.

When I visited Eureka Hollow to investigate, I discovered myriad problems facing the 15 to 20 families being evicted. Some of them believed they had been paying a land company pursuant to an option to buy the land on which they lived. Some had paid rent religiously, believing that gave them a certain amount of legal standing. And some were simply squatters who had no money and nowhere to go. Still others, who had not complained of their situation, lived in an adjacent hollow referred to as "Nigger Hollow." They were being treated precisely as the name of their neighborhood implied.

When I met with the attorney for the land company to discuss the plight of my clients, I was cordially received by a venerable member of the local bar who proudly displayed on his wall an incongruous picture of J. Fred Muggs, the chimpanzee who appeared with David Garroway many years ago on the *Today Show*. After initial pleasantries, this old man informed me that my clients had no legal rights to remain on the land, and furthermore, they would not get "one goddamned cent" from the land company. He was absolutely right about their legal claims but ultimately wrong about the other matter.

This experience of nearly 20 years ago came rushing forward in my mind recently on a visit to Israel and the occupied territories of the West Bank and Gaza Strip with a delegation from the North Carolina Council of Churches. The visit has been organized to enable interested individuals, both clergy and lay, to visit Israel and the occupied territories to learn from the people living there—Muslims, Christians and Jews—the problems associated with Israel's occupation of territory taken over by Israel during the 1967 six-day war. It was only by accident that the visit happened to coincide with the recent Madrid peace talks.

Prior to leaving for Israel, I happened to see a newsclip of an event which occurred in the vicinity of Jerusalem where conservative Israeli Jews apparently evicted several families of Palestinian Arabs from their homes. I hoped to find out more about this during my visit.

On Nov. 7, our group of 17 went to the village of Silwan near East Jerusalem and met with a retired U.N. employee whose family has, for generations, lived in this area near the southern end of the Kidron Valley. This man, who has organized a local group of Palestinians hoping to protect their land from confiscation by the Israeli government, took us to the place where, on Oct. 9, several Palestinian families were awakened at approximately 4 a.m. by Israeli civilians breaking into their homes and forcing them out into the night. The Israelis were accompanied by soldiers who stood by watching. Later that same morning, several members of the Israeli Knesset joined the occupation.

The occupation lasted a few days in some homes. In some others, the Palestinian owners were allowed to return. In at least one instance, the owner was not allowed to return, and his home was welded shut. This action took place at a time when the cases of these same Palestinians were pending in court involving the appeal of the landowners of the proposed taking of their land by the Israeli government.

To date, no action has been taken against the Israeli occupiers. The reason for the eviction apparently stemmed from a plan by Israelis to construct a settlement in the area to be known as the New City of David and to provide upgraded parking and improved highway facilities.

Because there is no constitution in Israel which requires just compensation for the taking of private property and the village is located in the occupied territory outside the state of Israel, there is no obligation on the part of the government to offer anything for the land, and the landowners have few, if any, legal rights. Even if the landowners were to be compensated, the opportunity of Palestinians to acquire land under Israeli occupation is extremely limited.

As in Eureka Hollow, the Palestinians of Silwan are the victims of economic and political powers beyond their control. Unlike Eureka Hollow, however, the scene in Silwan is being frequently repeated throughout the occupied territories of the West Bank and the Gaza Strip.

During our visit to the Gaza Strip, we were informed by the Near East Council of Churches and others that 4,000 Israeli settlers live on 45 percent of the land in the Gaza Strip but use 85 percent of the available water, while 850,000 Palestinians are crammed into the remaining territory and are left with the remaining 15 percent of the potable water supply.

Also, since the gulf war, when Palestinians in the occupied territories were confined to their homes for 45 days under 24-hour curfew, more than 60,000 Palestinians in the Gaza Strip alone lost their jobs to Israeli employers. In many instances, the Palestinians were replaced by Soviet immigrants who have moved into the settlements both in Israel and the occupied territories. Now, with the collapse of the Soviet Union, the pressures which gave rise to the forced evictions in Silwan will be accelerated with the expansion of settlements to accommodate the influx of Soviet immigrants.

Whether the Madrid peace conference is the beginning of a successful resolution of the Palestinian problem will depend upon the willingness of the Israelis to address the issue of the settlements in a humane and comprehensive manner. However, the example of Silwan does little to bolster confidence in the Israeli commitment to a reasonable approach to the issue.

#### JAPAN FAILS TO FACE THE TRUTH

#### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, this Member would point to two recent actions in the Japanese Diet. The first event was the brawl that occurred when the Diet was preparing to vote to permit the use of Japanese forces in United Nations-sanctioned peacekeeping activities. The desire to maintain the purity of the Peace Constitution was so strong that Japanese legislators felt compelled to engage in fist-fights on the floor of the Japanese Diet. This has become something of a common practice—you may recall that similar fist-fights broke out when the Japanese Government proposed to send medical teams to support Operation Desert Shield.

The second event was the refusal of the Japanese Legislature to refuse to extend an apology to the United States of America on the 50th anniversary of the attack on Pearl Harbor. When presented with the opportunity to offer an apology, the Diet conspicuously chose not to act.

It is an interesting dichotomy: The Japanese Legislature can engage in fist-fights to ensure that Japanese forces do not engage in legitimate peacekeeping activity, but it scorns the notion of apologizing for one of the most heinous sneak attacks in recorded history. Japan is not well served by such inconsistent displays. The failure to offer such an apology, as urged by the Japanese Prime Minister, seems consistent with the Japanese failure to recognize its role in initiating hostilities during the World War II, the gross brutality of its armed forces in China and elsewhere in the Asian-Pacific regions, and the continuing attempt of the Japanese society to rewrite history to justify its past actions.

Mr. Speaker, this Member would point to an insightful editorial entitled "Japan Fails to Face the Truth: Ugly Message for America" in the December 7, 1991, edition of Omaha World-Herald. As the editorial correctly notes, the recent behavior of the Japanese Diet sends an very disturbing message to America, and indeed to the world:

**JAPAN FAILS TO FACE TRUTH; UGLY MESSAGE FOR AMERICA**

The Japanese parliament still doesn't get it.

German officials years ago faced their country's responsibility for starting World War II. Among other things, the Bonn government maintains a consistent policy of disavowing the Nazi era and paying reparations to designated victims of the Third Reich.

Even the Soviet Union has begun to acknowledge its past crimes, including the massacre of Polish officers during World War II and the invasion of Afghanistan.

But the Japanese legislators, who were presented this week with the opportunity to issue a modest, one-time expression of regret for one of history's most heinous sneak attacks, balked at doing even that much. They gave the lame excuse that they were too busy with domestic affairs to agree on the wording of an appropriate apology resolution.

What an ugly message for America on the 50th anniversary of the Pearl Harbor attack. After four decades of U.S. aid, U.S. support and U.S. protection, the government of Japan still refuses to face the truth about its country's unprovoked peacetime attack.

The attempt to avoid even the appearance of regret was contemptible. After American newspapers reported that Foreign Minister Michio Watanabe had expressed "remorse" over the suffering of war victims, the Japanese government backed away, saying that the correct translation of the word was "self-reflection" rather than "remorse."

A Foreign Ministry spokesman said that Watanabe's statement under no circumstances constituted an apology. Obviously it didn't. Even with the word "remorse," the statement came nowhere close to an apology for the attack.

It was encouraging to read that some Japanese citizens expressed concern about their government's attitude. Otohiko Endo, a member of the Clean Government Party, was an advocate of apologizing. But he acknowledged that few legislators shared his view. He said he encountered reluctance among legislators to face the fact that Japan was the aggressor.

The fact that Endo spoke out raises the hope that there are others like him in Japan—people who understand the importance of honestly confronting the past and

saying the things that need to be said in the present.

**TRIBUTE TO THE PONTIFICAL INSTITUTE OF THE RELIGIOUS TEACHERS OF FILIPPINI**

**HON. ROBERT G. TORRICELLI**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I would like to pay homage to the members of the Pontifical Institute of the Religious Teachers of Filippini. Sister Margherita Marchione, a renowned authority on Italian-American culture and researcher of Philip Mazzei, Jefferson's friend and neighbor, has issued a statement which I would like to place into the RECORD at this point:

**RELIGIOUS TEACHERS FILIPPINI  
TERCENTENNIAL**

The Pontifical Institute is one of the earliest teaching communities of Sisters in Italy. It began in Montefiascone in 1692, when Cardinal Bargarigo asked Lucy Filippini to head the schools he had established for the education of young girls. Twelve years later he devised a set of rules to guide Lucy and her followers in the religious life. These teachers were to provide Christian training for the children of the common people. As the community grew, it attracted the attention of Pope Clement XI who, in 1707, called Lucy to Rome to start schools which he placed under his special protection.

In Rome, Lucy Filippini completed the work of founding the schools and impressed her style and educational method on them. The primary objective of the schools was the formation of women in every aspect. Such a formation would serve to strengthen family life—not an easy task among the poorer classes of society of the 17th and 18th centuries. This educative and didactic adventure still continues today through the Schools and the Family to which they gave life. Its mission has spread beyond Italy, into Europe, the United States of America, Brazil, Ethiopia, India.

A new era began for the Religious Teachers Filippini when, at the command of Pope Pius X, five of them came to the United States in 1910. Their destination was Saint Joachim parish, Trenton, New Jersey, and their mission was to serve the needs of neglected Italian immigrants. They spoke their language, understood their customs, and cherished their traditions. When the immigrants' search for freedom, social improvement, and security lessened, they continued to staff schools for all children, regardless of race, nationality, or creed.

In Trenton, the group encountered obstacles which led to discouragement. But in 1916, with Sister Ninetta Ionata's appointment as superior, the situation changed. Under her leadership she improved the administration of the school. During 1917-18 Spanish influenza epidemic, she challenged the Sisters to assist the sick and the destitute. They served as nurses, and provided hot meals. Soon after they were recalled to Rome by the Superior General. Only when Sister Ninetta appealed to the new Bishop of Trenton, Thomas Joseph Walsh, did the situation again change. In fact, had it not been for him, the difficult circumstances of the early years would have indeed constrained the Sisters to return to Italy.

Bishop Walsh intervened and succeeded in keeping them in the United States. He simply sent a cable with the words: "Governo proibisce partenza." (The government forbids departure.) The Superior General did not understand whether the reference "government" was civil or ecclesiastical. Thus with Bishop Walsh's encouragement and personal interest, the Religious Teachers Filippini remained and prospered in the United States.

In 1920, Bishop Walsh purchased the property now known as Villa Victoria on the banks of the Delaware River in Trenton to serve as a motherhouse and novitiate. Ten years later, when he was transferred to Newark, Villa Walsh—the former Gillespie estate on Tower Hill in Morristown—became the new motherhouse and the community's educational headquarters. Today, members of the Province of Saint Lucy staff schools in New Jersey, New York, Ohio, Pennsylvania, and South Carolina.

Regarding the international activities of the Religious Teachers Filippini, the Province not only has representation at the Generalate in Rome, but also helps staff the foreign missions where the work of evangelization and human promotion continues. In the newest mission in India, they conduct a literacy program, teach Christian Doctrine to children and adults, visit and perform basic tasks of charity helping them spiritually, materially, and financially.

A commemorative book entitled "A Pictorial History of the Saint Lucy Filippini Chapel" (1992) contains a brief history of the Religious Teachers Filippini with a blessing and message from Pope John Paul II, dated January 22, 1991: "To the Pontifical Institute of the Religious Teachers Filippini, celebrating the 3rd centenary of its Foundation, and living the charism their Foundress Lucy Filippini wished to impart to the Institute, I express heartfelt congratulations for the educational and evangelical work that has been accomplished and continues to be performed for the poor and the humble. To the entire religious Community and to all those toward whom the educational mission of the Religious Teachers is directed, as a pledge of abundant heavenly graces, I affectionately impart a special apostolic blessing." The commemorative book for the 300th anniversary is a monument of Christian inspiration which transmits the spirit and sanctity of Saint Lucy Filippini through the originality and gracefulness of paintings by the renowned artist, Gonippo Raggi, as well as through stained glass windows, mosaic, and imported marble. It is also enhanced by a walking tour which contains some 30 pages of black and white sketches with explanation of each symbol, followed by 20 pages of colored photographs. It is the story of the Pontifical Institute of the Religious Teachers Filippini since 1692. What has transpired since then testifies to the zeal of many dedicated women whose sense of mission of their founders was adapted during the past 300 years to the needs of the world in the light of the Gospel. Its development in the United States of America has been rich in deeds and accomplishments.

**WALK A MILE IN HER SHOES**

**HON. BILL RICHARDSON**

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RICHARDSON. Mr. Speaker, one of the most public-spirited citizens in the State of

New Mexico is Claudine Riddle, of Farmington. A successful realtor, civic leader, and humanitarian, she embodies the best of the American spirit: dignity, compassion, effectiveness, and generosity to others less fortunate. She has had a remarkable career, and I am proud to count her as a friend and valued adviser on a host of issues important to this country.

Recently she was profiled in a Farmington newspaper. I am submitting the article for the RECORD.

[From the Farmington Daily Times, Nov. 10, 1991]

**WALK A MILE IN HER SHOES**  
(By Dorothy Nobis)

If the cliché that dynamite comes in small packages is true, then Claudine Riddle is an explosion waiting to go off.

Riddle may be short in stature, but her energy is boundless, according to friends.

A real estate broker who owns Claudine's Real Estate, Riddle is more than just a seller of property.

The soft lines that give character to Riddle's face, and the sparkle that glistens in her eyes belie the fact this lady has not had an easy life.

The child of a poor sharecropper, Riddle, 72, said, "I was raised . . . in a little shack with holes and cracks."

One of five children, Riddle said they slept together because there weren't enough beds.

Her poverty-stricken childhood did not, however, dampen Riddle's spirit or her determination.

"The way you are raised, no matter how tough, should make you the best person you can be," Riddle said. "You need to make good, regardless of how bad it is."

A mother of two before she was 19 years old, Riddle heeded her own advice when she returned to high school when she was 24.

"I had a ball," she said. "I enrolled with the rest of the kids on the first day of school in Plains, Texas."

Riddle said her typing skills got her a job as secretary to the school superintendent before she finished high school.

In 1960, she and her family moved to Farmington, and she went to work as the secretary for H.L. Wilby, principal at Farmington High School.

Four years later, Riddle and her family moved again, this time to Puerto Rico, then the Bahamas and to Nicaragua. Riddle got adept at packing and moving, she said.

"I moved 326 times in my married life," she said. "My kids went to schools in four different states and to eight different high schools."

Riddle continued to work, no matter where the family lived.

"I wanted my kids to have the things they wouldn't have had, if I had not worked," she explained.

There were other reasons Riddle worked, however. Her ambition, her dedication—and her determination—were driving forces to help her overcome a family problem.

A member of Riddle's family is a problem drinker, which has been difficult for her to understand and, at times, even more difficult for her to cope with.

"I've never been a drinker," she said. "I'll have one glass of wine at a party, but I have a problem of working with people who have too much to drink."

Ironically, Riddle said that when she was growing up, her family made their own brandy and wine.

"But it was never important to me," she said. "I wanted my mind to work."

The heavy drinking of a loved one made life difficult for Riddle, but she never lost hope, or her zest for life.

The hurts of being in such a situation are there, however, Riddle said.

But, she added, the sober members of the family must remain strong.

"The alcoholic doesn't care how many hurts you have, or how often he hurts you," she said. "But you have to be determined not to let it destroy you."

Because of the dictates of society at that time, Riddle said, she rarely talked about the problem drinker, and physical abuse never occurred in her home.

"If there is physical abuse with an alcoholic, I tell women never to stay," Riddle said. "I don't care what they're told, no woman should put up with physical abuse. With an alcoholic, the mental and emotional abuse are enough."

Riddle often speaks to women on the Navajo Reservation, she said.

"I speak about alcoholics and how to deal with it," she said. She encourages women who have an alcoholic husband to recognize their own needs.

Riddle said women, particularly, choose a pattern with how they live and deal with an alcoholic. She said dealing productively with the alcoholism is determined "by how you're made up within yourself and the faith to deal with it."

Riddle added it was her faith that kept her going over the years.

"I'd go out the front gate in the morning," Riddle said, "and I know God said, 'There she goes again,' and sent 100 angels to take care of me."

"Sometimes I'd run out of angels and have to ask for more," Riddle said with a smile. "And I'd know I'd have help during the day to survive."

And survive, Riddle did.

More than 21 years ago, when the problem drinker in her family was so sick because of the drinking, medical help—expensive medical help—was needed and she had to quit her job as a secretary and look for work that would pay more.

A new career opened up for her while she, typically, was looking out for a friend.

"I walked into a real estate office and told the broker they were misrepresenting land to a friend," she recalled. The broker was so impressed with Riddle he suggested she study to become a real estate agent.

"I was almost 52 years old," Riddle said. "And I opened my own real estate office when I was 54. Nobody told me I wasn't supposed to do that at my age, so I did it."

She also has become active in other areas. Concerned with the plight of Navajo artists, and their inability to properly market their work, Riddle organized the Totah Festival five years ago.

"Most Indian traders and trading post people are fair with the artists, but they can only buy so much," Riddle said. "I kept buying stuff so cheap, I started talking to the city and county to try to get interest (in a festival)."

Riddle finally received support from Farmington for a festival, but only if she would coordinate it. City officials also gave support, and Riddle's dream of helping the Indian artist was realized.

"I had a hard time getting support from local organizations, and I didn't think it would be a success," Riddle said.

Four years ago, Riddle said she had no artists and no money for the festival.

With a lot of help from her friends and her rapport with the Indian artists, however, the Totah Festival was born.

This year, Riddle said 65 artists were represented at the festival, and an estimated 10,000 people from 27 states and five countries attended.

In addition, area Indian rug weavers earned \$15,500 from a rug auction at the festival.

In the years she's helped Indian artists find a market for their work, or helped the mate of an alcoholic find hope for the present and the future, or helped someone find a new home or business in San Juan County, Riddle said, occasionally, she gets tired.

"I've thought about running away from home," Riddle said with a laugh. "I've thought about dyeing my hair red, taking off my hat, getting on the train and running away."

With her love of people and her willingness to help others, however, Riddle said the only problem with running away is that, "A lot of people will want to go with me."

**HONORING RETIRING EDITOR OF  
LATROBE BULLETIN**

**HON. JOHN P. MURTHA**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MURTHA. Mr. Speaker, the community of Latrobe, PA is fortunate to be served by a respected daily newspaper, the Latrobe Bulletin. In this age of huge media corporations, the local, small town paper might seem to be dying, but the role of the Latrobe Bulletin as a forum for the community and a source of community news remains strong. The role of editorial writer for the small community newspaper is a particularly important one, and for a long time, the people of Latrobe have been favored with an outstanding journalist in this position. Vince Quatrini is retiring this month, and I wanted to take a moment to wish him well and to let him know how much he'll be missed.

Vince is an outstanding writer, and he's served the Latrobe community well in his position with the Bulletin. He's equally a superb prognosticator—in fact, the Latrobe Bulletin was the first Pennsylvania newspaper to endorse and predict the victory of Senator WOFFORD in the 1991 Senate election.

The people of Latrobe will miss the witticisms and insight of a fine journalist. Whether they agreed with Vince's opinions or not, his columns were always eagerly read by everyone in Latrobe. I'm proud to call Vince a friend, and I know that the citizens of Latrobe join me in saying thanks and wishing Vince a happy and healthy retirement.

**DEMOCRATIZATION COMES TO  
ZAMBIA**

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TOWNS. Mr. Speaker, I want to introduce the inaugural address of Zambia's new leader, President Frederick Chiluba to my colleagues.

President Chiluba's election is significant for several reasons. It was the first instance in

Anglophone Africa where a ruling party was defeated in peaceful elections. The United States played a key role in ensuring the integrity and popular acceptance of the election. And finally, former President Kenneth Kaunda accepted his defeat graciously as a part of a democratic process of the changing of the guard.

President Chiluba is expected to visit the United States next month. I commend this speech to my colleagues' attention. His words gave us much hope for a new era of warm relations between the United States and Zambia.

#### INAUGURATION SPEECH OF FREDERICK CHILUBA

Mr. Chief Justice, fellow citizens, neighbors and friends.

To us here today, this is a sobering most momentous occasion. To the nation, it is an affirmation of the power of patience and forbearance. This ceremony is indeed testimony to the will of the people. Zambia demanded democracy. Today, Zambia achieved that goal.

My first act as the President is a prayer. I ask you to bow your heads.

Heavenly Father, we bow our heads and thank you for your love. Accept our thanks for the peace that yields this day and the shared faith that makes its continuance likely. Make us strong to do your work, willing to heed and do your will and write on our hearts these words: "Use power to help people," for we are given power not to advance our own purposes, nor to make a great show in the world, nor a name. There is but one just use of power, and it is to serve people. Help us remember this, Lord, and make us strong to do your work. Amen.

How great is one's belief in your fellow citizens, your friends and neighbors, when you realize that the stream of democracy—damned up for 27 years—is finally free to run its course as a mighty African river. Not because of arms, not because of bullets, not because of any other time, but the patience of Zambia with corruption, repression, and dictatorship had run out. The voice of the Zambian people, weak as it was at one stage, faint against the thunder of one party and one man, is once again strong, a roar asserting itself. But let us not forget, that we cannot replace the tyranny of an elite with the tyranny of the many.

The Zambia we inherit its destitute—ravaged by the excesses, ineptitude and straight corruption of a party and a people who have been in power for too long. When our first President stood up to address you 27 years ago, he was addressing a country full of hope and glory. A country fresh with the power of youth, and a full and rich dowry. Now the coffers are empty. The people are poor. The misery endless.

The economic ills we suffer have come upon us over several decades. They will not go away in days, weeks or months. But we are determined they will go away. The will go away because we as Zambians have the will to apply ourselves to do whatever needs to be done to rebuild this glorious country.

In this present crisis, government alone is not the solution to our problems. For too long, government was the problem. This crisis needs discipline, hard work, honesty, clean government and a determination to grit our teeth, to look our problems squarely in the face, and to tackle them head-on.

Let no one believe otherwise. This Zambian government has the will, the courage and the ability to deal with the problems of the day, to make the hard decisions, and to

do the things now that will allow this country to never again sink to the depths of misery which Zambian democracy has rescued us from now.

So with all the energy and discipline at our command, let us begin anew. Let us renew our determination, our courage and our strength and let us renew our faith, our hope and our pride. We have the right to dream heroic dreams. But more importantly, we have the obligation to make them come true. Perhaps not for our own sake, but for the sake of our children. Never again may we allow the next generation to inherit debt, corruption and misery.

For the first time in the history of this country, the Zambian citizens do not have to invent a system by which to live. We don't have to wrest justice from the kings or the chiefs. We only have to summon it from within ourselves.

For we know what works—freedom works. We know what is right—democracy is right. We know how to secure a more just and prosperous life for man on earth—through the freedom to work, the freedom to toil, through free speech, free elections and the exercise of free will unhampered by the state. We know that upon the individual rests the ability to make his own dreams come true. The state must allow every individual that freedom in security and in justice. The greatest lesson we can learn from the past 27 years is that freedom is at the core of every successful nation in the world and in Africa today.

The great nations, the prosperous nations, are the free nations. A new breeze is blowing in Zambia. The breeze of democracy and freedom. The breeze of human rights. The winds of change predicted for Africa decades ago, have finally reached our land.

When Winston Churchill offered his people nothing but blood, toil, tears and sweat, they rose to the occasion and swept away the forces of tyranny and I am proud that when we told Zambians that the hour has come, they rose to the hour with dignity, with compassion, but with determination. Zambia would not be denied.

Allow me now to address my colleagues who will join me in the new government. The Zambian people await action. They didn't send us here to bicker procrastinate. They did not send us here to enjoy the trimming of power and office. They sent us here to represent them and to work.

President Bush of the United States of America said in his inaugural speech: "Great Nations, like great men, must keep their word." This is my pledge to you, Zambia. This government will keep their word. And this is my message to the new government and to the civil service: "You must keep your word." Let honesty and honest toil be the pillars on which we build the future.

We deserve today not a victory of a party, but a celebration of sweet freedom after a long and sometimes, bitter struggle. An end as well as a beginning.

Zambia is like a patient who woke up from a long coma. We are weak, but we are awake. We are ill, but we are still alive. And most important: We are determined to get well again.

No government can change a country on its own. I am asking you, Zambians from all political persuasion, friends and neighbors, UNIP and MMD, and those who want to start new parties still, let there no longer be enemies in this land. At the most let there be political opponents, free to speak their minds, but free to be Zambians. And let us take hands and face the cruel and destitute

present, let us take hands and work, let the patient get well again. Let Zambia rise up.

I am extending my hand of brotherhood to all Zambians—of all political persuasions—and particularly their leaders. My plea to Dr. Kaunda is to take my extended hand of friendship, for this is the very essence of this change; that we make one nation and live together in harmony. I urge you as ordinary members of UNIP and citizens of Zambia to extend your hands to your neighbor too—and embrace them, so that we go forward as one. Let Zambia rise in unity.

But what exactly is to be done? I believe we ought to concentrate on the basics. Our priorities must be the basic needs of the people of Zambia. One such priority is education. It is simply not good enough that Zambia has 126 school and college students per 100,000 population, when there are countries in Africa with three and four times that ratio. It is simply not good enough to have a literacy rate of less than 70 per cent, when we have skilled and schooled people to drive our economy towards productivity and prosperity.

Another priority is health care. Here, too we face enormous challenges, with only one medical doctor for every 5,000 Zambians with only 32 hospital beds for every 10,000 people, and infant mortality rate of 127 deaths per 1,000 children under the age of five, and with less than half the population having access to safe and clean drinking water.

Also in the spheres of housing, transportation need, telecommunications and other aspects of infrastructure do well behind the average in Africa. It is of crucial importance that we give infrastructure development all the urgent attention that we can afford, because this in turn determines the extent and the eagerness with which foreign investors would flock to Zambia.

But most important of all is the need to create a sustained confidence in the socio-political stability of our country. For without it, our children won't study our human resources, will not become a productive work force, our economy will not grow, or exports will not be competitive in international markets, our foreign investment growth will remain a pipedream.

If what I have said thus far sounds duly ominous, do not misunderstand me: I am not pessimistic about the future of Zambia. In fact, I am all too aware of the exceptional opportunities that we have with our mineral resources, and our abundance of land in a country that is not overpopulated.

But I am also a realist. The ills of Africa and of Zambia are such that our prosperity will not come about overnight. Forward on the path to prosperity we must go, but let nobody labor under the illusion that the progress we seek will be easily and speedily attained for the hour has come.

In our time of need, we will look to the world. Not for hand-outs, but for help to stand on our own feet again. To get well. We will look to our neighbors—not to strut around on the stage of the world, like a king without clothes, but to look them in the eye and to take their hands. In Africa today the era of dictators, of hypocrisy and lies is over. As usual, the Zambians realize that first. We will therefore not share in the hypocrisy and the self-deceit, but we will say to our neighbors, let us live in peace. Let us trade. Let us get to work.

Zambia is not the center of the universe, but Zambia is the center of our universe. We say the hour has come to put Zambia first, to put Zambia first. Let's do whatever we can, every day to slowly pull ourselves

through our sweat and toil, out of the mud and to build a new Zambia where prosperity, decency, Human rights are normal parts of life. So on this inaugural day, I say, let us not have false pride. Let us rather get to work.

So, the hour has come. We have seized it. And now, to work!

### TARGETED INVESTMENT TAX CREDIT WILL HELP ECONOMY

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mrs. JOHNSON of Connecticut. Mr. Speaker, along with the gentleman from Washington [Mr. CHANDLER] I am introducing today the Targeted Small Business Investment Tax Credit Act of 1992 and invite my colleagues to join us in our efforts to revitalize the backbone of the American economy: small business.

It is painfully clear, Mr. Speaker, that our economy needs a powerful shot in the arm to restore its vitality and keep us No. 1 in the world. Newspaper headlines repeat the story day after day: "Thousands Laid Off," "Sales Down," and "Economy Weakens."

While I applaud the recent drop in interest rates, Congress must act immediately on a precisely targeted economic growth package that will create manufacturing opportunities, stimulate the housing industry, and encourage consumer demand in the immediate future.

An integral part of any growth package is, in my view, targeted tax relief to a sector of the economy crucial to our future and in dire need of improvement: manufacturing. Investment in manufacturing has dropped precipitously since the Tax Reform Act of 1986 and threatens to remain weak for the foreseeable future. One retrospective simulation of the U.S. economy from 1986-88 indicates that gross private domestic investment dropped by over \$100 billion in constant 1982 dollars in that period.

The Targeted Small Business Investment Tax Credit Act of 1992 focuses on this weakness and intends to help American manufacturing retool, modernize, grow, and hire more workers. Our bill offers short-term, nonrefundable tax credits to companies with fewer than 500 workers as follows:

A 15-percent credit for purchase of productive machinery and equipment, and business-use trucks, off-road vehicles, and cars;

A 25-percent credit if the capital goods mentioned above are at least 85 percent manufactured or produced in the United States.

As the following article from the Wall Street Journal clearly illustrates, previous ITC's skewed industrial investment and led to abuses now highlighted by advocates of the do nothing approach.

Today's bill, however, is narrowly drawn to prevent abuse and would be in place for just 6 months from the date of enactment. This feature would limit the direct cost to the Treasury and provide the economic kick the Nation needs in the near term, while supporting our long-term goal of improving our competitiveness.

I urge the administration and my colleagues on the Ways and Means Committee to review

this proposal carefully, because I believe it will have a positive, immediate ripple effect on the economy, resulting in reduced unemployment costs, higher business tax receipts, increased revenues from personal taxpayers, and give a much needed boost to American manufacturing.

Mr. Speaker, the newspaper article I mentioned follows:

[From the Wall Street Journal, Dec. 30, 1991]

#### THE OUTLOOK—INVESTMENT CREDITS: A TEMPORARY ANSWER (By Alan Murray)

WASHINGTON.—Millions of Americans work in office spaces separated by movable partitions rather than walls. But few realize that the tax code is partly to blame for their lack of privacy.

The investment tax credit, eliminated in the 1986 tax act, provided a powerful incentive for the purchase of equipment. The credit could be used to offset the cost of purchasing partitions but not to offset the cost of constructing walls. So, American office designers turned increasingly to partitions.

A similar transformation occurred in many of the nation's factories. Permanent ceiling lighting was not eligible for the credit; detachable, movable lights were. So, tax-conscious corporations outfitted factories with movable lights.

Such stories suggest why the credit was eliminated in 1986. It was indeed a powerful incentive. It did change the behavior of American businesses. But the changes weren't all for the better.

"The investment tax credit creates an investment incentive that favors some forms of economic activity over others," the U.S. Treasury wrote in 1984, in a tax-overhaul plan proposing repeal of the credit. It "discriminates among taxpayers within a single industry, and encourages tax-motivated, noneconomic behavior." Dale Jorgenson, a professor of economics at Harvard, says eliminating the credit "was one of the real steps forward of the 1986 tax act."

Memories are short in Washington. With the economy in recession, the nation's policy makers are rushing headlong towards re-enacting the credit, for the fourth time. The Bush administration is likely to include a limited credit as part of its proposal for economic revival—even though Budget Director Richard Darman was one of the architects of the 1986 law. And many members of Congress also favor the idea. Indeed, re-enacting the investment tax credit is one of the few proposals strongly supported by many Democrats and Republicans alike.

The interest in investment tax credits is understandable. A slowdown in investment spending is one reason for the recession that began last year. And economists frequently cite insufficient investment as an underlying cause of the American economy's slow productivity growth and declining competitiveness. Investment spending in Japan, for instance, is more than twice as large a share of the nation's total output as investment spending in the U.S.

And the evidence suggests the investment credit does indeed raise investment spending. Calculations by the American Council for Capital Formation suggest that purchases of equipment have grown far faster during periods when the credit was in effect than when it wasn't.

But such numbers tell only part of the story. They don't show how much of that money was wasted in installing partitions rather than walls, in developing tax-shelter

packages or in pursuing other tax-motivated schemes that did little to help the nation's economic performance.

Moreover, even the productive-equipment purchases stimulated by the credit may not be what's needed to address the nation's competitiveness problems. Michael Porter, a competitiveness guru at the Harvard Business School, says the credit is far more effective at stimulating purchases of the basic machinery used by yesterday's industries than at promoting the high-risk, long-term investments needed for tomorrow. The credit is "fighting the last war," he says.

For all its drawbacks, however, many economists argue the investment tax credit may still be the most effective arrow in the tax-cutters' quiver for stimulating a stagnant economy—if it is instituted only on a temporary basis.

By ensuring that the credit expires after one or two years, tax writers can increase its potency. Many companies will speed up spending planned for three or four years down the road to take advantage of the credit and thus give the economy a short-term boost. "If it's temporary," says Robert Eisner, a Northwestern University economist, "an investment credit gives you a big bang for your buck."

At the same time, a temporary credit would avoid the problem of permanently distorting investment decisions. And the cost of such a credit could be reduced by making it "incremental"—which means it would apply only to investment that exceeds an amount based on a company's past investment. The credit being considered by the White House is both temporary and incremental.

Of course, there is the risk that a temporary credit would become permanent, as legislators extended it year after year. With Congress, "it's hard to know what temporary means," Harvard's Mr. Jorgenson says.

But Washington politicians are belatedly determined to do something to fight the recession. And a temporary investment credit is one of the few moves that would clearly help the economy in the short-term without causing too much long-term damage.

#### NOW YOU SEE IT....

A history of investment tax credit:  
January 1962, 7% credit instituted.  
October 1966, credit suspended.  
March 1967, 7% credit reinstated.  
April 1969, credit eliminated.  
April 1971, 7% credit reinstated.  
January 1975, credit increased to 10%.  
January 1988, credit eliminated.

Source: American Council for Capital Formation.

### NICARAGUA LIVES WITH THE GRIM LEGACY OF SANDINISTA ATROCITIES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, when the forces of democracy won their resounding electoral victory in Nicaragua in February of 1990, the world hoped this tiny war-torn nation could move toward a more peaceful future. Unfortunately, it appears the Sandinistas have done nearly everything in their power to frustrate the will of the Nicaraguan people and undermine the democratic process. They have illegally seized government property, beaten,

and even killed legitimate labor leaders, and terrorized many communities.

This behavior, Mr. Speaker, is simply an outrageous continuation of the pattern of violence that has long been a trademark of the Sandinista movement. Indeed, we are only now coming to fully understand the level of brutality under the regime of Daniel Ortega. Deep within the jungle, scores of mass graves are being uncovered, and the evidence is mounting that large numbers of civilians were summarily executed.

Mr. Speaker, the Congress and the American people should have no illusions about the Sandinista Party. They are not committed to democracy, and they scorn even the most basic of human rights. When they were in power in the 1980's, they ruled by brute force. Now, as an opposition party, they continue their violent ways. This member would urge President Chamorro to be firm in her dealings with these thugs and urge the administration and Congress to give her every possible assistance in resisting such violent and intimidating tactics.

Accordingly, this Member would ask to insert a highly informative article from the December 4, 1991, edition of the New York Times. Entitled "Graves Call Witnesses to Sandinista Atrocity," it documents the legacy of Sandinista violence. This Member commends the article to his colleagues.

[From the New York Times, Dec. 4, 1991]

**GRAVES CALLED WITNESS TO SANDINISTA ATROCITY**

(By Shirley Christian)

BIJAGUA, NICARAGUA.—Down a steep slope and across a creek from a hilltop farmhouse, eight pits are waiting to offer up bitter fruit from Nicaragua's long war between the Sandinistas and the contra rebels.

For 14-year-old Héctor Gaitán, carrying a visitor to the site on his horse, the recollection is still vivid of the time in 1984 when he was sent fleeing into the mountains by Sandinista security forces and came back the next day to find that his father and dozens of other men had been slain and their bodies thrown into the excavations and covered lightly with dirt.

From time to time, he says, bones work their way to the surface when the holes fill with water from tropical downpours. Recently, two rubber boots of the kind worn by local farmers were found, still tied together as they must have been on the victim's feet before he was killed.

**REPORTS OF 50 MASS GRAVES**

Human rights groups say they have received reports from rural people of more than 50 such common burial sites around Nicaragua, raising doubts about the long-held perception by Sandinista defenders outside Nicaragua that the Sandinistas were not as brutal as their opponents.

The discoveries also present a challenge to President Violeta Barrios de Chamorro to satisfy demands for truth and justice without running into roadblocks from the still-powerful Sandinistas, who she defeated in the February 1990 elections.

Much of what happened in these hills 30 miles northeast of the town of Camoapa in the department of Boaco on Nov. 5, 1984, is still buried in the memories of those who were spared, and even today many adults speak with fear, or great care. They say this is because the Sandinistas still control the army and the police.

After pointing out the bullet holes and bayonet marks scattered over the wood plank walls of her house, where many of the victims died, 70-year-old Petrona Alvarez de González said the incident began on Oct. 22, 1984, when a group of at least 50 men arrived at her farm and said they were contras and wanted to camp on her land while recruiting.

In fact, as later confirmed by the Sandinista Government, they were members of the Sandinista intelligence police, led by Enrique Schmidt, who held a Cabinet-level post in Managua and had volunteered for an undercover mission to trap contras in this strongly pro-contra region.

In the coming days the men made recruiting forays into the countryside and returned with volunteers who thought they were joining the contras. They were brought to the camps scattered around the González farm and told they would soon be trained and given arms, she said.

She said the undercover Sandinistas had the recruits dig the pits a short distance from her house, with the explanation that they might be needed for burial sites in the event of a battle with the Sandinista Army.

**GENUINE CONTRAS ARRIVE**

At midday on Nov. 5, an actual contra force of perhaps a dozen men arrived under the command of a man well known in the area as Ciclón.

Mrs. González, whose husband was in a hospital at the time, said a fierce battle erupted between the undercover Sandinista force and Ciclón's men and that Ciclón, his men, and Mr. Schmidt were killed.

Then, said Héctor Gaitán, the unarmed recruits, including his father, Pedro, were ordered into the kitchen area of the house and the killing soon started. At that time, he said, Mrs. González and he and other children were ordered by the Sandinistas to leave, but they heard the shooting and screams as they ran away.

He said that after spending the night in the mountains, they returned the next day to be told by the departing Sandinistas that they had killed more than 70 contras.

**VICTORY IS PROCLAIMED**

The next day in Managua, the Sandinista newspaper *Barricada* reported Mr. Schmidt's death as that of a hero. It said he had died near the end of a battle in which his troops "completely wiped out a counterrevolutionary task force." It acknowledged the deaths of 73 men, but claimed that all had died in battle. Mr. Schmidt's was the only reported Sandinista death.

Violeta Graneja de Sandino, a spokeswoman for the Nicaraguan Human Rights Association, one of three human rights groups in the country, said that reports of the burial site here had come to the association offices in Managua from a number of people.

"The Government seems to maintain the thesis that forgetting is the way to deal with those years," she said. "But we want legal processes and the removal from police and military posts of those responsible."

So far, she said, exhumations have been carried out at eight clandestine burial sites, with the number of sets of remains found ranging from one to 35. The bodies of two men found in one grave were killed by the contras, she said, and the rest of the sites contained Sandinista victims.

The Bijagua pits are thought to contain the remains of 40 to 80 people.

**JUSTICE BAINS THREATENED BY INDIAN POLICE**

**HON. DAN BURTON**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BURTON of Indiana. Mr. Speaker, Dr. Gurmit Singh Aulakh, President of the Council of Khalistan has informed me that Justice Ajit Singh Bains, chairman of the Punjab Human Rights Organization [PHRO] has received a death threat from the Indian Police warning him to cease his activities with the PHRO which consistently exposes Indian government atrocities committed against the Sikhs. I ask the Indian Government to bring no harm to Justice Bains and beseech it to cease its violation of human rights in the Sikh homeland, Punjab.

I submit for the RECORD a press release issued by the Council of Khalistan describing the death threat made against Justice Bains by Indian police.

**JUSTICE BAINS, CHAIRMAN OF THE PUNJAB HUMAN RIGHTS ORGANIZATION THREATENED BY INDIAN POLICE**

WASHINGTON, DC, January 3—Justice Ajit Singh Bains, retired Judge of the Punjab and Haryana High Court and current Chairman of the Punjab Human Rights Organization (PHRO) was threatened with murder recently by the Indian police if he continues to lead the PHRO in exposing human rights abuses committed by the Indian government against the Sikhs. The threat was made via an anonymous phone call and highlights the Indian government's increasing anxiety over being exposed as one of the worst violators of human right in the world today.

Justice Bains has long led a crusade against India's brutal treatment of the Sikhs and has travelled not only within India but to North America and Europe to educate the international community on the ever worsening state of Sikh human rights under Indian government occupation.

The Sikh nation declared independence on October 7, 1987 creating the separate country of Khalistan. In their quest for freedom, Sikhs have been met with brutal repression at every juncture. With the recent deployment to Punjab of an additional 180,000 army soldiers, India appears ready to unleash the full might of its military force to crush the Sikh voice of freedom. In all, over 600,000 police, paramilitary forces, and full combat troops now patrol the villages and cities of Khalistan. Extrajudicial killings, torture, rape, extortion and humiliation are part of everyday life in the Sikh homeland. Uninformed brutality is on the increase. In Justice Bains' own words, the Indian police in Punjab are nothing but "criminals in uniform."

One might understand the Indian government's desire to silence a voice as resounding as that of Justice Bains. Exposure is India's worst fear. It has worked long and hard to erect a facade of democracy for the world to see. Justice Bains and people like him make India extremely nervous because they threaten to tear down its facade and expose India's brutality. Already India has arrested Professor Brijinder Singh, PHRO Amritsar district President and Mr. Virsa Singh another human rights activist from Voltaha, Amritsar district. The two men remain in custody. As part of his work with the PHRO, Justice Bains continually supplies Amnesty

International and Asia Watch with detailed reports concerning hideous atrocities committed against the Sikhs by Indian Government forces. India has long maintained a ban on international human rights groups, and the work of Justice Bains promises to reveal what India has long tried to hide.

Dr. Gurmit Singh Aulakh, President of the Council of Khalistan has warned the Indian government not to harm Justice Bains in any way, shape or form. "Justice Bains has met with members of the U.S. Congress and human rights activists throughout the world," he said. "India cannot expect to get away with murdering him. The world is watching very closely. India treads on thin ice. India should stop arresting human rights activists and release them immediately. The world sees the brutality India has brought to bear upon the Sikhs. I warn India not to harm Justice Bains in any way, and I tell India that no amount of oppression will deter the Sikh nation from gaining its much deserved independence."

TRIBUTE TO MARIO PERRUCCI,  
THE RECENTLY ELECTED VICE  
PRESIDENT OF THE TEAMSTERS  
UNION

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TORRICELLI. Mr. Speaker, I rise today to pay tribute to Mr. Mario Perrucci who was recently elected vice president at large of the Teamsters International Union.

Mr. Perrucci has worked diligently on labor issues over the past 25 years, excelling in both leadership and community service. During this time he has been a loyal member of the Teamsters Local 177 Union in Hillside, NJ, and in 1978 was elected its principal officer. As chairman he has fought hard to guarantee its 7,000 members the highest standards of labor protections and benefits.

I have had the pleasure of working with Mr. Perrucci since coming to Capitol Hill. I have known him to be a fair and equitable man who has always had the interests of the Teamsters at heart. Mr. Perrucci has worked to curb the export of American jobs to foreign competitors, and has fought to ensure better retirement and health benefits for union members.

In addition to his service to the Teamsters Union, Mr. Perrucci has given countless hours to his country and the communities of New Jersey. He is a veteran of the Vietnam war and has served 4½ years on the Dunellen Board of Education. He currently resides in Brigantine with his wife Laura and is the proud parent of five children.

Mr. Speaker, once again I salute Mario Perrucci for his many achievements and numerous years of exemplary service and dedication to the Teamsters Union. He has been a prominent resident of New Jersey, and I wish him continued success at his new post.

AMERICAN RECOGNITION OF  
ARMENIAN INDEPENDENCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, today, I am pleased to join my colleagues, MEL LEVINE and WAYNE OWENS, in sponsoring a resolution which congratulates the Armenian people in their progress toward freedom and democracy and commends President Bush for extending formal diplomatic relations to Armenia.

On Christmas Day, 1991, President Bush announced that the United States formally recognized Armenian independence and would establish full diplomatic relations with the former Soviet Republic. I believe that President Bush's decision was an historic one, a decision that marks a new milestone in the long friendship between the Armenian and American peoples.

United States recognition of Armenian independence was the logical next step. In the latter part of 1991, Armenia declared its independence in a democratic and constitutional manner and held a Presidential election. In addition, Armenia has ratified all major international human rights treaties and agreed to abide by all CSCE documents. Under the leadership of its newly elected President, Levon Tar-Petrosyan, Armenia has taken its place among the free nations of the world.

I look forward to a strong and mutually beneficial relationship between the United States and Armenia. I hope that President Bush will make every effort to strengthen the special relationship between our two countries.

RESOLVED: CONGRESS SHALL  
PROTECT AND PROMOTE SMALL  
BUSINESS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. IRELAND. Mr. Speaker, as we stand at the beginning of 1992, I think it is appropriate for Congress to adopt an informal but very important resolution that will help create jobs, spur economic growth, and foster new opportunities at home and abroad. Let's consider this our new year's resolution: To do all we can to protect and promote our Nation's 20 million small businesses.

What does this mean? In general terms, it means that each and every one of us will scrutinize each and every piece of legislation with two simple questions in mind: Will this help small businesses survive and grow or will this actually make it harder for small enterprises to create new jobs, products, and services?

And as part of this process, Mr. Speaker, it is vital that we constantly and very carefully analyze the accumulative effect of our actions. A particular new law or regulation may not seem like much of a burden when viewed alone but, when added to all the other laws and regulations Congress has piled on over

the years, the weight becomes very great indeed—perhaps intolerable.

Every day in 1992, we must remember that it's not just the effect of mandatory health benefits on small enterprises. Rather, it's the cumulative effect of mandatory health benefits along with the civil rights bill and OSHA regulations and payroll tax requirements and the Disability Act and the hundreds of thousands of demands, little and large, that Congress heaps on small enterprises year after year. Congress, Mr. Speaker, is killing small businesses and burying jobs with them.

Beyond protecting small enterprises from their own government, we must also be attentive to programs and policies that actually help small businesses thrive and expand.

For example, this year the Small Business Committee, in all probability, will ask Congress to reauthorize the Small Business Innovation and Research Program, or simply SBIR.

As you know, Mr. Speaker, 10 years ago, Congress created a program that encouraged small businesses to undertake the research needed to discover innovations, to develop those innovations into products, and to sell those products successfully at home and abroad.

By all accounts, SBIR has been a tremendous success. It has created jobs and improved our economic performance here at home. It has helped small businesses explore new opportunities. And it has cultivated a new, bountiful source of innovative products that will improve our competitive edge.

In short, Mr. Speaker, SBIR is a shining example of the types of things Congress can do to help small businesses.

Here's another: Before adjourning, Congress temporarily extended five important tax benefits for our Nation's small businesses. They are the research and development tax credit, the targeted jobs tax credit; the employer-provided education benefits exclusion; tax-exempt small issue bonds; and the health insurance deduction for the self-employed.

These historic tax benefits have, and will, give jobs to the less advantaged among us, help the self-employed afford health care coverage, promote education and training, and help make our country competitive through research, development, and growth.

This year, Congress will decide whether each of these small business benefits should be made permanent or allowed to expire. This year, Congress will have the opportunity to help small businesses and the millions of people they employ. It's imperative that we do so in every way we can.

Mr. Speaker, a fresh, new, promising year lies ahead. It holds for us the opportunity to loosen the shackles on our Nation's small businesses and the chance to find ways to help them do what they do best: Create the new jobs, products, and services our country needs in 1992 and beyond.

So let us resolve among ourselves and to ourselves that this new year will find us passionately dedicated to the future of small business.

PRESTIGIOUS EAGLE SCOUT  
AWARD

**HON. JACK REED**

OF RHODE ISLAND  
IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. REED. Mr. Speaker, I rise today to salute a distinguished young man from Rhode Island who has attained the rank of Eagle Scout in the Boy Scouts of America. He is Paul T. Kelly of Troop 117 in Warwick and he is honored this week for his 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 community, 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. These young men have distinguished themselves in accordance with these criteria.

For his Eagle Scout project, he organized the tremendous task of putting up a 300-400 foot fence near a local bike trail, in order to protect the wildlife. Paul's dedication to his troop and to his community exemplifies the true spirit of the Boy Scouts of America.

Mr. Speaker, I ask you and my colleagues to join me in saluting Eagle Scout Paul T. Kelly. 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 Paul T. Kelly will continue his public service and in so doing will further distinguish himself and consequently better his community. I am proud that Paul T. Kelly undertook his Scout activity in my representative district, and I join friends, colleagues, and family who this week salute him.

HONORING THE LIFE OF GRANT  
ALEXANDER HARTLEY

**HON. C.W. BILL YOUNG**

OF FLORIDA  
IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. YOUNG of Florida. Mr. Speaker, I take this time today to recognize and honor the life of 28-year-old Grant Alexander Hartley of St. Petersburg, FL.

After a valiant 2-month struggle, Grant died on New Year's Day of complications associated with a bone marrow transplant which caused his liver to fail.

Over the past few years, I had an opportunity to introduce many of you to Grant, who was one of the many heroes who have played such an important role in the development and success of the National Marrow Donor Program. Grant was afflicted with leukemia and in need of a marrow transplant to save his life, and he traveled with me many places throughout Florida and our Nation to promote and emphasize the need for Americans, especially minorities, to join the national marrow donor registry. He also was featured on recruitment posters that were distributed throughout our Nation.

Grant was so committed to this effort that he never turned down a request from any group to discuss the national registry or his own situation. In fact, the Congressional Black Caucus agreed to my request to hold a special meeting with Grant in October 1990 so that he could personally encourage the caucus members to sponsor minority donor recruitment programs in their home districts.

The form of leukemia from which Grant suffered was terminal. His only hope for a cure was a marrow transplant from an unrelated donor. After more than 3 years of searching for a matched donor, Grant learned in October that a potential donor had been located. Although the donor was not a perfect match, Grant and his doctors decided to go forward with the transplant and Grant entered the hospital October 28 to begin the procedure. After several days of preparation, chemotherapy, and radiation treatments, Grant received his gift of marrow from an unknown donor on November 9.

The doctors, nurses, and entire staff at All Children's Hospital in St. Petersburg worked tirelessly on Grant's case. They did all they could for him, but as can occur with this procedure, complications arose and Grant's liver began to fail. It was determined that his liver would never regain its normal functions, and that a liver transplant was his only hope for life.

The Presbyterian University Hospital in Pittsburgh, the world's premier liver transplant center, agreed to accept Grant as a liver transplant candidate and, on December 21, Grant was transferred by air ambulance from St. Petersburg to Pittsburgh.

Every effort was made by the medical staff at Presbyterian Hospital to stabilize Grant for a liver transplant, but after a valiant struggle, Grant died at 12:25 p.m. on New Year's Day.

He leaves behind his mother Mary Robinson, who stood beside him at every step of the way and until the very end. He also is survived by his brother Dwight Barber, of Syracuse, NY, and his sister Tracie Barber, of St. Petersburg. He also leaves behind hundreds of friends and admirers, and most importantly, thousands of volunteer donors who joined the national registry to give others a chance at life after hearing Grant's message.

He also leaves behind the friendship of this Congressman and his wife Beverly who were with Grant throughout his ordeal in St. Petersburg and Pittsburgh and at the time of his death. He touched our lives in a very special and personal way.

Mr. Speaker, Grant Hartley showed tremendous strength, courage, and dignity throughout the past 2 months of trials and suffering and

in death. He was a strong but gentle man with a heart full of compassion. As he demonstrated many times, he would do anything to help another person in need. In fact, he said many times that his primary goal in recruiting marrow donors was not to help himself, but was to give hope and life to the thousands of others who would die from leukemia if they could not find a matched donor.

To say that my wife and I will miss Grant would be the greatest of understatements. What I can say, however, is that Grant's life and death only strengthen my resolve to recruit more marrow donors for the national registry so that we ensure that every leukemic patient finds a matched donor. Early this year, the donor rolls will reach 500,000 and as a tribute to Grant Hartley, I challenge my colleagues in the House and Americans throughout our Nation to join me in setting as a goal a fully typed, ethnically diverse national registry of 1 million volunteer marrow donors that in combination with another 1 million donors in a number of international registries will give hope to every patient in need of a medical miracle that unfortunately eluded Grant Hartley.

Mr. Speaker, the memory of Grant's strength, courage, compassion, and gentleness will always be with us and let us work to secure that his legacy remains the inspiration to continue the work that we began here in the Congress more than 6 years ago when we first established the modern medical miracle that is now the National Marrow Donor Program.

HEALTH CARE COSTS RISE

**HON. DOUG BEREUTER**

OF NEBRASKA  
IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BEREUTER. Mr. Speaker, I commend to my colleagues the following editorial which appeared in the Omaha World-Herald on January 2, 1992:

HEALTH-COST SPIRAL INTOLERABLE

It is not difficult to see why proposals to reform the health-care system in this country have surfaced recently. Consider this:

The Commerce Department has estimated that health-care spending will jump by 11 percent, to \$817 billion, in 1992. It would be the fifth straight year of double-digit increases. It would add up to 14 percent of the U.S. gross national product being allocated for health care, an all-time high. Put another way, one of every seven dollars spent in the United States would go for health care.

In addition, the government predicts that average annual increases of 12 to 13 percent will continue over the next five years. In 1970, spending on health care was only 7.3 percent of the GNP.

Health-care spending is outstripping inflation. It is rising about 2½ times faster than the economy expands. And despite the enormous expenditure of dollars, at least 35 million Americans have no health insurance.

The Commerce Department report said the reasons include the aging of the population, increases in doctors' fees, the high cost and increased use of high-technology equipment and the growth in the use of psychiatric care.

Significantly, the department said, malpractice claims, often cited as one reason for the skyrocketing cost of health care, have dropped steadily and substantially. In 1989, the most recent year for which data are available, there were eight claims for every 100 doctors; in 1985, when the number peaked, there had been 17.8 claims.

But still, the government said, defensive medicine—the use of duplicate tests and expensive documentation as a shield against possible malpractice claims—adds \$15 billion to the nation's health-care costs.

There is little the government can do about the aging of the population. But the other causes of the rising costs should be open for discussion. The economy simply cannot support double-digit medical inflation forever. It is a hopeful sign that the problem is being discussed by influential and knowledgeable groups and individuals both in government and in the health care and insurance industries.

#### INTRODUCTION OF WORK FORCE READINESS ACT

**HON. DALE E. KILDEE**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. KILDEE. I am pleased to introduce the Work Force Readiness Act which is designed to provide all students in all schools with the skills necessary to be effective participants in the work force.

The United States has entered into a new era of global economic competition, one in which we must compete for market share globally as well as in our own country. Businesses increasingly have to contend with an onslaught of competition from abroad, changing consumer demands, and the need to provide high quality goods quickly and efficiently. It is no longer business as usual.

A key element in making sure America can compete is a qualified and productive work force. The Work Force Readiness Act will help ensure that students graduating from high school have the generic skills necessary to enter the work force ready to perform. These skills are tools which all students can use whether they enter the work force immediately upon graduation from high school or continue on to some form of higher education. These skills also will provide the foundation upon which more occupational specific skills can be built.

The Work Force Readiness Act will create a national board of employers and educators which will work to identify generic skills necessary to enter the work force and how these skills can be incorporated into what students learn in grades kindergarten through 12. The skills the board identifies and the strategies for integrating them into the regular school curriculum would then be available on a voluntary basis to schools wishing to use them. Building on the concept behind the Secretary's Commission on the Achievement of Necessary Skills [SCANS] which is scheduled to terminate in March, the national board will be a more permanent entity able to respond to the changing needs of the work force over time.

Title II of the bill proposes grants to consortia of education, business, and labor for the

actual implementation of school-to-work transition projects. Many of its provisions are modeled after innovative programs operating in my congressional district, where consortia of business, education, and labor are working together to implement projects in schools which will provide students with the skills necessary to enter the work force. These projects seek to provide workplace skills through a comprehensive approach which begins in elementary school and continues through graduation from high school by integrating workplace skills into the regular school curriculum. Because of programs like this, students in my district are better able to understand what it means to work and what skills are necessary to work.

Hopefully, this bill can provide a focal point around which serious discussions concerning workplace skills will continue. I welcome the comments of those concerned about building the capacity of our students to enter the work force ready to achieve and to be active participants in our economy.

#### TRIBUTE TO DR. JAMES CHIPMAN FLETCHER—TWICE ADMINISTRATOR OF NASA

**HON. DICK SWETT**

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SWETT. Mr. Speaker, just before Christmas, our Nation lost one of the great contributors to our Nation's space program. As a member of the Science, Space, and Technology Committee, I feel keenly the great loss of Dr. James Chipman Fletcher—scientist, educator, businessman, administrator, and dedicated public servant.

Dr. Fletcher served twice as Administrator of the National Aeronautics and Space Administration. He was the only man to head our Nation's civilian space agency on two separate occasions. With a total of 9 years of service during his two terms in office, he was NASA Administrator longer than any other person, guiding the space agency under five different Presidents of the United States.

Mr. Speaker, to do this, Jim Fletcher unhesitatingly placed service to his country above his own personal convenience and financial rewards. His willingness to do so, and his selfless dedication to public service provides the rest of us with an example we would do well to follow.

Dr. Fletcher was serving as president of the University of Utah when he first accepted the position of NASA Administrator in 1971. Prior to this, he had been a research physicist, a teacher, and an official in several corporations, one of which he founded. He was well underway in the pursuit of his lifetime goal of increasing man's knowledge and understanding of the universe in which we live.

When asked to leave the university to take on the sensitive and highly visible position as head of our Nation's space agency, Jim Fletcher answered the President's call. He said at the time that he felt it was his duty as a citizen to serve his country when asked to do so. From 1971 to 1977, he directed a space program which saw development of the

Apollo manned space flights and great advances in man's exploration of outer space.

After leaving NASA in May 1977 to return to his family and private life, Dr. Fletcher accepted a teaching position with the University of Pittsburgh and operated a lucrative consulting business. He was again fulfilling his personal goals and receiving substantial financial rewards.

In May 1986—4 months after the space shuttle *Challenger* exploded, causing the death of all seven astronauts on board—then-President Ronald Reagan asked Jim Fletcher to return as NASA Administrator until the shuttle program and public confidence in the space agency could be restored.

Reluctantly, but spurred on by duty and a patriotic obligation to serve our country, Dr. Fletcher agreed to return. As he said at that time, he "felt he had an obligation to help NASA and the space program in a time of trouble." From May 1986 until April 1989, he supervised efforts to restore the manned flight program as well as revamp NASA management and safety procedures.

He submitted his final resignation from NASA in a letter to President Bush on March 21, 1989, just 3 days after the third successful post-*Challenger* space shuttle flight. Characteristically, he told the President that "the time has come when the leadership of NASA can safely be placed in another's hands."

We live in an era where many persons adopt the philosophy of me first. We see around us all too many examples of individuals who accept positions in our Government for a short time when the intention of establishing connections and contacts which they can use when they return to the private sector to earn rich financial rewards.

Dr. James C. Fletcher twice demonstrated that he is another kind of individual—one who is willing to place service to our country ahead of personal convenience and financial reward.

Mr. Speaker, I invite my colleagues to join me in paying respect to this outstanding scientist, teacher, NASA Administrator, and public servant. Dr. Fletcher's example is one that we—and all Americans—should seek to emulate.

#### SALUTE TO JAMES "JIM" BELL

**HON. JOSÉ E. SERRANO**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SERRANO. Mr. Speaker, I rise today to recognize the accomplishments of James "Jim" Bell, a leader and humanitarian whom I greatly respect and admire. Mr. Bell is the political action director as well as director of vocational training and basic education for District 65 of the United Auto Workers AFL-CIO. He is also president of the New York City Chapter of the Coalition of Black Trade Unionists.

Mr. Bell has dedicated all of his adult life to community service. He is a founding member of the New York Consortium for Worker Education; a member of the National Executive Board of the Coalition of Black Trade Unionists; a member of the NY Anti-Apartheid Co-

ordinating Council Board; a member of the Labor Research Association Board; a member of the NAACP; and coordinator of the United Negro College Fund's NY Labor Committee. In the past, he has been chairman of the District 65 Black Affairs Committee and in 1990 he was director of Nelson Mandela's historic visit to New York City.

Mr. Bell has also played an active role in politics. In 1981, he was labor coordinator for the Coalition of Blacks for Barbaro. The following year, he was Governor Cuomo's labor coordinator for the Harlem campaign office and in 1986 he was appointed deputy campaign manager for Governor Cuomo. Two years later, in 1988, Mr. Bell was a leader in the labor committee of New Yorkers for Jesse Jackson and a Jackson delegate to the Democratic National Convention. In 1989, he was director of security for David Dinkin's mayoral campaign.

Mr. Bell's dedication to community service extends above and beyond that inherent in his participation in the aforementioned organizations. He is well-known for his outstanding leadership of the African-American community, organizing events such as Christmas drives for homeless children or protests against South African apartheid. Mr. Bell is entirely dedicated to people and this is clearly reflected in the activities he chooses to undertake and the fervor with which he performs his work.

For this exemplary commitment to people, Mr. Bell has received numerous awards. The Coalition of Black Trade Unionists, the Coalition of Latin American Trade Unionists, the Black and Puerto Rican Legislative Caucus, among other organizations, have all recognized Mr. Bell for distinguished community service. Today, I also would like to recognize James Bell's devotion to the people and express my deep appreciation for his invaluable contributions.

#### KAL 007 REVISITED

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. CRANE. Mr. Speaker, since 1983, press reports of the downing of Korean Airline flight 007 have painted a very vivid picture of the infamous and supposed crash. According to reports, flight 007, "tumbled out of the sky," Newsweek, "spun uncontrollably downward," Readers Digest, "cartwheeled toward the sea," Time, and was "literally ripped into shreds," United Press International. According to the official statement of the Soviet Government, as reported in the state-sponsored newspaper, *Izvestia*, a Soviet military pilot mistook the commercial flight for a spy plane and shot it down. Whereupon the plane smashed into the sea of Japan leaving no survivors.

Yet 8 years later, no evidence has surfaced to support any of these claims. On the contrary, facts have been uncovered recently which indicate that the Soviet Government has led an 8 year coverup to hide the real fate of Congressman Larry McDonald and 268 others

aboard KAL 007. An excellent article in the September 10, 1991 issue of the *New American* entitled "KAL 007: The Questions Remain Unanswered," examines a number of inconsistencies between the news reports and the actual findings of the investigations immediately following the crash. Below are listed just a few of the many discrepancies.

First, according to several news reports, KAL 007 was blown to pieces by a Soviet attack. The Soviet pilot responsible for the attack, Lt. Col. Gennadiy Nikolayevich Osipovich, contends that although he fired two rockets at the aircraft, the plane remained intact. According to bomb specialists, it would have taken at least 7 bombs similar to the type Osipovich used to destroy the commercial airplane. If, as the pilot contends, the plane was in one piece as it made its descent then investigators should have found far more debris from the wreck than was reported. In 1985, for example, Air India's flight 182 had a similar in-air explosion. Rescuers in the Air India incident recovered 132 bodies and over 4 tons of wreckage. The KAL 007 search party found only 13 body parts and 1,000 parts of wreckage all small enough to be lifted by a single individual.

Second, despite reports that the airplane immediately plunged into the sea, radar records show that the plane remained airborne for at least 12 minutes after the attack.

Third, further evidence that the plane did not fall into the sea is found in the fact that it was tracked by Japanese radar as landing on the island of Sakhalinska. Additionally, according to an article published by *Aviation Week & Space Technology*, Korean Air Lines sent a plane to Sakhalinska in the hope of picking up survivors of flight 007 after early reports indicated that the plane landed safely on the island.

In addition to detailing the many inconsistencies in the investigation reports of KAL 007, the article goes on further to suggest a possible scenario of what may have actually occurred. According to the author, Robert W. Lee, it is likely that the Soviet pilot did in fact hit the target, striking the No. 4 engine. This punctured the fuselage and ripped some small parts off the plane. Immediately following the strike, the captain descended quickly to an altitude which could support life and then slowed down so that he could consider his landing options. Although the Island of Sakhalinska is a reknown Soviet military base, the pilot decided to make an emergency landing on their runway anyway. After the plane landed, Congressman McDonald and the rest on board were taken captive and the plane was hidden in one of the hangers on the military base.

The author goes into further detail as to the current whereabouts of the passengers of flight 007 citing recent, but unconfirmed reports that Congressman McDonald has been held at a number of prisons in Moscow and its surrounding areas. According to Lee the other passengers were also imprisoned and the children were separated from their parents and hidden in orphanages in the Soviet Middle Asian republics.

Mr. Speaker, if there is even a remote possibility that the passengers of flight 007 may still be alive, we have a responsibility to their

families to do everything in our power to guarantee their safe return. At the very least, Members of Congress should insist that the investigation of KAL 007 be reopened. With the changes in the Soviet Union it should not be difficult to determine once and for all what really happened to KAL 007 and our colleague Larry McDonald.

#### CONGRESS DOESN'T DESERVE ORNSTEIN

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. McEWEN. Mr. Speaker, I commend to my colleagues the following thoughtful article by Martin Gottlieb, a gifted editorial columnist for the *Dayton Daily News*. His insights are, in my judgment, directly on target.

[From the *Dayton Daily News*, Nov. 6, 1991]

CONGRESS DOESN'T DESERVE ORNSTEIN

(By Martin Gottlieb)

On the page opposite, this, professional Congress-watcher Norman Ornstein explains—to anybody willing to calm down and listen—that all the recent talk about alleged Congress-wide scandals is mainly hot air.

Correct and overdue as his message is, he misses something. Much of this hot air comes from Congress itself. And criticism of an institution that comes from within is the most damaging kind. It is seen as authoritative, especially in the absence of rebuttals.

For a decade, many members of Congress have been engaged in relentless Congress-bashing. They say Congress is responsible for the deficit, is hypocritical, self-indulgent and overpaid, is bought by the interests, and is removed from the people and indifferent.

Congressional Congress-bashing is most intense on the far right, of course, where the word "Congress" means "the Democrats." The conservatives hope that their rhetoric will cause voters to turn against the Democrats.

It doesn't happen. The Democrats have been strengthening their hold on Congress all through the decade-long onslaught. The anti-Congress rhetoric weakens Congress. Surprise.

One result is the term-limits movement, which if it succeeds, will take down the long-time Congress bashers along with everybody else, which would be delightful justice.

Indeed, to the degree that term-limits is a partisan issue—a substantial degree—it will backfire. Democrats control the House of Representatives because they put up better, more recognized, more experienced candidates. They do this because they elect more people to lower offices, such as state legislatures. To a party with that strength, turnover poses no problem.

Turnover is a Republican problem. A striking fact: If the GOP still held all the House seats it has held at one time in the 1980s. It would now control the House, rather than being an astounding 101 seats down.

And this anti-GOP turnover has come during a supposedly conservative era, when party identification is supposedly moving in the GOP direction, and when the South is going GOP.

The Republicans are correct in believing that their ideology is not their problem. But they don't seem to understand what is. They need to think hard about turnover before they go off on the tangent that beckons.

At any rate, in-house Congress-bashing extends way beyond the right. Even those members of Congress who refrain from it also refrain—at all costs—from defending the institution. They are the headlines and polls; they sense the political winds, and they back off.

This passivity emboldens the critics. If nobody is rebutting a case that is being widely made, everybody assumes there is no rebuttal to be made.

This meekness—this unwillingness to assert that reality exists—is what the public should hold against Congress. Our representatives, after all, are the people who are supposed to be dealing with the nation's controversies.

Take the term-limits controversy, itself. The idea is nearly mindless. To borrow a thought from Suzame Garment formerly a conservative columnist with the Wall Street Journal.

Whoever came up with the notion that the way to attract better people to a job is to make the job less attractive?

The tragedy—and irony—of the term-limits movements is that it is politics-as-usual. Some advocates think of it as a response to politics-as-usual but it is a continuation—indeed, a bold affirmation—of our age's abandonment of substance in favor of symbolism.

Term limits will do nothing to improve the schools, reduce the crime rate, save your job, clean up the environment, combat drugs or anything.

The issue only offers up a symbol to be attacked—the politicians. And yet, at the grass-roots level, it is the most energy consuming issue of the day.

Meanwhile, the politicians won't stand up and say, "Look, I'm a decent person, and I work hard, and I do the job better now that I am experienced at it, and this idea that experience is a bad thing is incredibly stupid and would not be applied in any other profession."

They sit back and wait for the Ornsteins to make their case. But in not speaking up, they speak volumes.

**HONORING JOSEPH L. GREER, JR.:  
RETIREMENT FROM THE DEPARTMENT OF THE NAVY**

**HON. STENY H. HOYER**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. HOYER. Mr. Speaker, I rise today to pay tribute to Joseph L. Greer, Jr., who retires today from the Department of the Navy after 38 years of dedicated service to the Federal Government.

Mr. Greer has served as head of the Casualty Assistance Branch in the Bureau of Naval Affairs for the last 18 years. In one of the most difficult and sensitive positions in the Department of the Navy, Mr. Greer has executed his duties to service personnel, families, the civilian community, and government agencies with the highest standard of excellence and care. He will be greatly missed by his colleagues at the Department of the Navy, yet his efforts will be remembered and appreciated by the thousands of people he has assisted throughout the years.

A native Marylander, Mr. Greer graduated from Sacred Heart High School in LaPlata and later continued his education at the University

of Maryland and Georgetown University. He served in both the Maryland National Guard and U.S. Air Force before beginning his career with the Department of the Navy. Mr. Greer has received the Defense Meritorious Civilian Service Award for his exemplary record as head of the Casualty Assistance Branch.

Mr. Speaker, I am proud to be able to bring to the attention of the House the contribution Mr. Greer has made to the Nation. I am sure that all of my colleagues join with me in wishing Mr. Greer all the best retirement has to offer.

**EQUALIZATION IN PUBLIC  
EDUCATION**

**HON. RONALD D. COLEMAN**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. COLEMAN of Texas. Mr. Speaker, today I have introduced legislation that would provide incentives to States to equalize their public education systems. This bill builds upon the work of our former colleague, Augustus F. Hawkins, retired House Education and Labor Committee chairman, who introduced similar legislation in the 101st Congress. The intent of the legislation is to ensure that all children have an equal opportunity for a good education, without that opportunity being contingent on the taxing ability of the school district in which they live. Equal opportunity is what the Founding Fathers meant when they declared that "all men are created equal . . ." The role of the Government is to provide equal protection and opportunity to all, but we have failed to do that by allowing inequities in educational funding.

There are those who argue that equal funding will not solve the problems of property-poor school districts. While I am not presenting this as the panacea for all our Nation's educational problems, inequities in financing clearly translates into discernible differences in the classroom. As Arthur E. Wise of the National Council for Accreditation of Teacher Education has pointed out, "It's easy to be misled and think that the numbers aren't serious, but a \$2,000 difference per kid in a classroom of 25 kids means the difference of \$50,000." That is roughly the equivalent of the salaries for two additional teachers.

In fact, I would argue that any effort that attempts to improve the education of our children without equalizing the system of funding will fail. We cannot accept a situation in which rain pours through the leaky ceilings of some schools while others fill their on campus swimming pools.

When District Judge F. Scott McCown declared Texas' system of education funding unconstitutional, he dismissed arguments against equity with the following parable:

A father has two sons—John and Javier. He says to each that he will divide his wealth between them equally so that he may spend the same on each. For John he provides food, clothing, shelter, a car, tennis lessons, and pocket money. For Javier, he provides food, clothing, and shelter. Javier says to his father, "How is this equal?" His father answers: "This is exactly equal. I have done an

accountable cost study and learned that a boy does not need a car, tennis lessons, or pocket money to grow into a fine man. So these costs do not count. I have provided for you and John equally."

This simple story has even more force if the facts are altered slightly. Imagine that the food, clothing, and shelter provided Javier are inadequate, while John's are ample. Or imagine that Javier has special needs John does not have, for example, poor health or learning disabilities. Or imagine that the accountable costs studies of the father are wrong, and that certain special advantages do help boys grow into better men. All of these variations on the story fit the evidence.

Our need for education is too great and our wealth too modest for inequitable funding of our schools to be tolerated. Our founders wisely required our Legislature to equitably distribute our resources for a general diffusion of knowledge to ensure our liberties and rights. That task awaits the 72nd Legislature.

I would agree with Judge McCown and would suggest that this is the task also awaiting the 102d Congress.

**THE TRAGIC PASSING OF KEITH  
LEVINE**

**HON. BENJAMIN A. GILMAN**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GILMAN. Mr. Speaker, I regret to inform our colleagues that yet another courageous law-enforcement officer has given his life to protect the lives and property of the rest of us.

Keith Levine, a 27-year-old resident of the town of Clarkstown in my 22d Congressional District of New York, was known by his fellow police officers as an exceptionally dedicated and bright young police officer. As a member of the New York City police force, he was one of our dedicated fighters in the front lines of our war against crime.

Last weekend, Keith—while off duty—witnessed an attempted holdup of an individual using an automatic teller machine in midtown Manhattan. Giving chase to the perpetrator of this crime, Levine was shot dead in attempting to apprehend the perpetrator.

Hundreds of friends, family, loved ones, and police officers joined at the memorial services for Sgt. Keith Levine. All were shocked and stunned that such a promising police officer could be taken from us in the prime of life. New York City's Mayor Dinkins was one of many officials paying tribute to this courageous young man, the son of Michael Levine, himself a retired investigator for the U.S. Drug Enforcement Agency, and the author of a best-selling book on undercover police work.

I am confident that all of us in this Chamber join with me in extending our condolences to Keith's family and many friends. It is ironic that a police sergeant residing in Rockland County, NY, should fall in the line of fire, for the police officers of Rockland County were especially notable in their activities above and beyond the call of duty in bringing about the dedication of the National Law Enforcement Memorial here at our Nation's Capital.

Mr. Speaker, Sgt. Keith Levine did not die in vain. His struggle against crime and lawless-

ness will be borne by the rest of us until final victory against such criminals is achieved.

FEDERAL DEPOSIT INSURANCE  
CORPORATION IMPROVEMENT  
ACT OF 1991

**HON. CHARLES E. SCHUMER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, January 3, 1992*

Mr. SCHUMER. Mr. Speaker, on November 27, 1991, the House and Senate passed the Federal Deposit Insurance Corporation Improvement Act of 1991. In light of the recent attention that has been given to the grossly inadequate competition in the Nation's credit card market, I want to call my colleagues attention to section 471 of the act and reiterate my comments, and those of others, in the conference committee that considered this legislation.

There should be no doubt about this provision. After several years of being a leader with its no annual fee Discover Card, Sears Roebuck decided last year to break with the 19.8-percent interest rate that most of the big credit issuers charge and to offer a new low-interest rate card. It is important that such a major player offer a lower rate card. Many small banks can and do offer low-interest rate cards, but with their limited resources, marketing efforts and their very selective credit underwriting, their impact on the market has been small.

Sears acquired from the Resolution Trust Corporation [RTC] the Visa membership rights and other assets of a failed savings and loan association. Sears prepared to launch the new card through the small institution in Utah. However, when the large banks that dominate Visa learned of Sears intentions, they had Visa take immediate action to halt the new program, based on technicalities. To protect the comfortable profits that these banks derive from their own overpriced credit card programs, they wanted to cut off at the pass the competition of Sears' new lower priced card.

The act will change the unacceptable status quo in the marketplace by allowing Sears to launch its new lower priced Visa card now, and if necessary, to take action to protect the rights that it bought from the RTC. I know, and the conference committee was well aware, that there is ongoing litigation between Sears and Visa. That litigation is based on antitrust claims and those antitrust claims are not affected by this act. I agree entirely with Chairman GONZALEZ' statement on the floor on November 26 shortly after the House had passed this legislation, in which he confirmed Chairman BROOKS' understanding that the pending antitrust issues in that litigation are not affected by this provision, retroactively or otherwise.

However, the ability of Sears to immediately issue its Visa card is very much affected by this act. There could be no clearer statement of the explicit intent of the conferees in this respect than that of Chairman GONZALEZ, who did not himself support the provision. His remarks are reflected in the minutes of the conference committee's deliberations:

EXTENSIONS OF REMARKS

I can't accept [the Senate provision which became section 471] because it involves litigation; it would impact ongoing litigation. . . . I am not predicating my objection just on the fact there is current litigation, even though it does, and it would, impact that ongoing litigation.

As Chairman GONZALEZ has said, it is Visa's privilege to continue to pursue in litigation any valid antitrust theory concerning why Visa should be permitted to refuse to provide services to someone who has purchased from the RTC the right to receive them. But unless and until Visa succeeds in persuading a court that it is correct, this legislation will ensure that consumers will begin to reap the immediate benefits of new and desperately needed competition in the credit card marketplace.

ANNOUNCEMENT OF THE 1991 CONGRESS-BUNDESTAG STAFF EXCHANGE

**HON. RALPH REGULA**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Friday, January 3, 1992*

Mr. REGULA. Mr. Speaker, since 1983, the United States Congress and the West German Parliament, the Bundestag, have conducted an annual exchange program in which staff members from both countries observe and learn about the workings of each other's political institutions and convey the views of members from both sides of issues of mutual concern.

This exchange program has been one of several sponsored by both public and private institutions in the United States and West Germany to foster better understanding of the institutions and policies of both countries.

This year will mark the second exchange with a reunified Germany and a parliament consisting of members from both the West and the East. Ten staff members from the U.S. Congress will be chosen to visit Germany from April 25 to May 9. They will spend most of the time attending meetings conducted by members of the Bundestag, Bundestag party staffers, and representatives of political, business, academic, and media institutions. They also will spend a weekend in the district of a Bundestag member.

A comparable delegation of German staff members will come to the United States in late June for a 3-week period. They will attend similar meetings here in Washington and will visit the districts of Members of Congress over the Fourth of July recess.

The Congress-Bundestag exchange is highly regarded in Germany. Accordingly, U.S. participants should be experienced and accomplished Hill staffers so that they can contribute to the success of the exchange on both sides of the Atlantic. The Bundestag sends senior staffers to the United States and a number of high ranking members of the Bundestag take time to meet with the U.S. delegation. The United States endeavors to reciprocate.

Applicants should have a demonstrable interest in European affairs. Applicants need not be working in the field of foreign affairs, although such a background is helpful. The

January 3, 1992

composite U.S. delegation should exhibit a range of expertise in issues of mutual concern to Germany and the United States, such as, but not limited to, trade, security, the environment, immigration, economic development, and other social policy issues.

In addition, U.S. participants are expected to help plan and implement the program for the Bundestag staffers when they visit the United States. Among the contributions participants should expect to make is the planning of topical meetings in Washington. Moreover, participants are expected to host one or two staff people in their Member's district over the Fourth of July, or to arrange for such a visit to another Member's district.

Participants will be selected by a committee composed of U.S. Information Agency personnel and past participants of the exchange.

Senators and Representatives who would like a member of their staff to apply for participation in this year's program should direct them to submit a resume and cover letter only in which they state why they believe they are qualified, what positive contributions they will bring to the delegation, and some assurances of their ability to participate during the time stated. Applications may be sent to Connie Jones, Office of Representative RALPH REGULA, 2207 Rayburn, by Friday, February 14.

INTRODUCTION OF THE INTERNATIONAL PEACE AND SECURITY RESOLUTION

**HON. TIMOTHY J. PENNY**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Friday, January 3, 1992*

Mr. PENNY. Mr. Speaker, today I am introducing a resolution known as the international peace and security resolution. This resolution contains a set of proposals which I believe will, if later enacted, begin the process of curbing the proliferation of offensive arms and military equipment in the entire world. The statistics are alarming. Between 1978 and 1988, the developing world imported 371 billion dollars' worth of arms, and the five permanent members of this U.N. Security Council accounted for almost 80 percent of all arms transfers to the developing world. Between 1986 and 1990, the United States transferred 54 billion dollars' worth of arms to foreign countries. Finally, since 1945, 40 million people have died in 125 wars and conflicts in the Third World.

In addition to international arms sales, these proposals attempt to deal with the problem of excessive military spending in some parts of the world, spending which in all likelihood has led to conflicts and instability in the world. For example, between 1980 and 1988, Iraq devoted an average of 32 percent of its GNP on military spending and spent over \$65 billion on international arms sales. Costa Rica, by comparison, devoted 0.5 percent of its GNP in 1988 on military spending.

Many other Third World countries, in particular, spend large proportions of their GNP on military, rather than investing in the health and education of their people. Botswana, for example, is reported to be building an air base

at a cost of \$350 million or nearly 20 percent of their GNP. Botswana's Air Force has only 13 aircraft. By comparison, the United States currently devotes less than 5 percent of its GNP on military spending, and it plans to decrease this figure to nearly 3 percent by 1996.

Finally, these proposals deal with peace and security through international diplomatic means. In particular, the resolution urges the United States to continue negotiations with other arms sellers on setting strict limits and guidelines on all international arms transfers. The resolution suggests devoting savings from reduced U.S. military assistance programs to United Nations and international peacekeeping operations. In addition, the resolution urges the United States to encourage the U.N. Security Council to assist in the negotiation of peaceful solutions to territorial and other disputes in the world and to guarantee the security of all countries threatened by other countries.

Most of the proposals in this resolution are not new. In fact, many Members of Congress have already shown their support for several of these proposals. The purpose of this particular resolution is to outline reasonable and equitable policy goals which the United States should pursue to set an example for the rest of the world in terms of these important issues.

I urge my colleagues to cosponsor the international peace and security resolution.

WILLIAM F. BUCKLEY: AN  
AMERICAN HERO

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. MARKEY. Mr. Speaker, on December 30 William Buckley was finally laid to rest in the hallowed ground of Arlington National Cemetery, just outside the U.S. Capitol, where his remains will lie surrounded by other Americans heroes. The final chapter on his suffering as a hostage and his tragic death at the hands of his captors in Beirut was brought to a close with full military honors.

Bill Buckley's life and death give us pause to wonder—what constitutes a hero? Is it courage? Intelligence? Cunning or skill? Is it perseverance in the face of adversity or leadership in a time of prosperity? Heroes may possess some or all of these attributes, but what distinguishes the truly heroic is the ability to draw strength from the content of one's character.

Born and raised in Stoneham, MA, Bill Buckley's patriotism and his strength of character was shaped by the values of a small town in New England. Bill was a great student of history, and he particularly admired our 26th President, Theodore Roosevelt. Perhaps it was Teddy Roosevelt's views on the patriotic duties of American citizens that had such a profound impact on Bill's life. Roosevelt said:

America will cease to be a great nation whenever her young men cease to possess energy, daring, and endurance, as well as the wish and the power to fight the nation's foes. No citizen of a free state should wrong any

man; but it is not enough merely to refrain from infringing on the rights of others; he must also be able and willing to stand up for his own rights and those of his country against all comers, and he must be ready at any time to do his full share in resisting either malice domestic or foreign levy.

It was this staunch belief in the individual's duty to defend the freedom of his Nation that guided Bill into his lifelong career of public service.

As a decorated soldier in both Korea and Vietnam, he valiantly defended the freedom of the United States. It was in the Army that Bill earned the reputation as a man with the fortitude and ability to successfully complete the most difficult missions. Even among his peers, those pledged to face danger in the service of their country, Bill was regarded as an exceptionally courageous man who led by example. An officer and friend remarked that, "Bill did things that none of the rest of us would have attempted."

As a man who would become the Central Intelligence Agency's top expert on counterterrorism, Bill Buckley fully understood the dangers inherent in the nature of his job. He understood the vital role that intelligence, as the eyes and ears of our Nation, plays in the areas of national security and world peace. The vitality of this role will increase in importance as the world progresses toward becoming a global community.

With the dedication of the William F. Buckley Memorial Park in Stoneham Center in 1989, we are able to move out of the shadow of the tragic circumstances of Bill's death. We may now focus on the spirit of the goals and accomplishments of his life from which countless Americans will benefit.

William Buckley's legacy will not be lost on us, he was an extraordinary man who provided his country with extraordinary service. He was a man able to draw strength from the content of his character. William Buckley is truly a hero.

ANNA CONKEY BRISTOL OF ARGYLE, NY—A CARING PUBLIC SERVANT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SOLOMON. Mr. Speaker, in small rural communities across New York State, the town clerk is, in many ways, the most important person in town because he or she is the one person who can help you obtain information about almost anything to do with the town. In the case of Anna Conkey Bristol, town clerk of Argyle, NY, that was certainly the case.

Before deciding to retire this year, she gave 25 caring years to the residents of Argyle, and during those years she developed a well-deserved reputation of being one of the most likable, knowledgeable, and helpful public servants ever to serve the people of Argyle.

I've had the privilege of serving as a State legislator and Congressman representing Argyle for 20 of the 25 years, and if I could be at the January 24 dinner being held in her honor, I would be proud to stand up and say:

Anna, thank you for all the many times you helped me and my staff serve the people of Argyle.

Members of Congress, will you please join me in saluting Argyle Town Clerk Anna Conkey Bristol on her 25 years of exemplary service to her community.

END OPPRESSION OF SIKHS;  
SUPPORT H.R. 953

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BURTON of Indiana. Mr. Speaker, I rise today to bring awareness to the ever-growing violence plaguing the Sikh homeland in Punjab, India. I also rise to seek the support of all Members of the House for my legislation to terminate development aid to India until that country allows independent human rights organizations access to all regions of India. The oppression of Sikhs grows daily, and India seems to be committed to denying the Sikhs their freedom and human rights.

The Los Angeles Times—December 28—documented some of the atrocities committed by Indian Government agents against Sikhs. It tells of the family of 85-year-old Sikh farmer Malook Singh, whose 80-year-old wife, son, daughters-in-law, and grandsons were chained to trees and stakes at their farmhouse in the remote village of Killi Bodhla and tortured for more than 3 hours by an armed police party, which burned them with diesel oil before killing all seven last October. Singh's 4-year-old great-granddaughter witnessed it all.

Dr. Gurmit Singh Aulakh, president of the Council of Khalistan has supplied me with photos of another Sikh torture victim. The photos graphically display that Avtar Singh, a Sikh candidate for the state assembly, was tortured by Indian police with a hot iron and electric shock.

On August 25, 1991, Asia Watch reported that "virtually everyone detained in Punjab is tortured." In interviews conducted with Sikh torture victims, Asia Watch found the following:

Most commonly, the detainees described the use of a heavy wooden plank or roller which is placed over the prisoner's thighs while he is seated or supine, and which is then rotated while one or two persons stand on it. Detainees also described being made to sit while their legs were pulled apart at an angle intended to cause intense pain. In some cases, detainees described having their genitals smeared with hot chili powder and being gagged overnight with cloth smeared in dog feces. Handcuffed detainees were also thrown repeatedly into a canal on the jail compound. At least one detainee was subject to electric shock.

Since 1984, over 100,000 Sikhs have been killed by Indian police, paramilitary forces, and death squads, according to Dr. Aulakh. Under draconian measures passed by the Indian Parliament, over 15,000 Sikhs are being held in Indian prisons without any trial. The U.N. Human Rights Committee called these laws disturbing and completely unacceptable.

For over 13 years, India has refused to allow internationally recognized human rights

organizations, like Amnesty International and the International Red Cross, within its borders to conduct investigations. Asia Watch had to sneak into Punjab unbeknownst to the Indian Government to get its information. India has even refused to sign the United Nations Covenant Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment—a document to which over 80 nations are party.

Recently, India deployed nine additional Army divisions—180,000 soldiers—to the Sikh homeland in Punjab. This brings the total of Indian police, paramilitary, and military forces in Punjab to over half a million. Undeclared martial law has been firmly established. All semblance of liberty is gone from the Sikh homeland. Though the Indian Government claims the latest military deployment is to "assure free and fair elections in Punjab," extrajudicial killings, rape, extortion, and humiliation by these forces are on the increase.

Mr. Speaker, I have never advocated violence or terrorism to resolve conflicts between the Government of India and religious minorities. However, I believe that the U.S. Government must take a strong stand against the horrible abuses that are occurring in Punjab, Kashmir, and other parts of India. My legislation, H.R. 953, would terminate development assistance to India until that country allows international human rights groups like Amnesty International and Asia Watch free access to troubled areas like Punjab and Kashmir. My bill currently has over 45 cosponsors from both sides of the aisle. I urge every Member of the House to cosponsor H.R. 953 and take a strong stand for human rights, dignity, and freedom. If the newly emerging world order is to be based on the concept of justice, then we must make a world where freedom and human rights are the rule and not the exception.

Mr. Speaker, I insert several items into the RECORD at this point. First I would like to insert an open letter from Dr. Aulakh of the Council of Khalistan to Prime Minister Rao and a statement by Dr. Aulakh concerning a recent attack on a train carrying civilian passengers. In addition, I would like to insert a recent Los Angeles Times article detailing the horrible atrocities committed by Indian forces against Sikhs, and a Washington Times article concerning possible decentralization in India:

OPEN LETTER TO PRIME MINISTER NARASIMHA RAO—ARMY DEPLOYMENT IS YOUR LAST RESORT KHALISTAN WILL BE FREE

PRIME MINISTER RAO: Weak is the government dependent on brutal oppression to preserve its legitimacy; and India is weakest of all. Your government has beaten Sikhs, tortured Sikhs, raped and murdered Sikhs. And now you deploy your army. You have paraded before us your military might and we respond: All your strength is weakness—Khalistan Zindabad!

You cannot crush the Voice of Khalistan. Against it, your brigades, your tanks, your Soviet made weapons stand powerless. Though you have dispatched at least 180,000 new troops to join the hundreds of thousands of army, police and paramilitary forces already stationed in Khalistan, the Sikh nation clings tenaciously to a principle diametrically opposed to the philosophy of your party and your government: the principle of freedom. The very word vexes the Indian

government to its malicious, tyrannical core. The very word will prove to be its downfall.

But surely your protest. You claim your enormous military deployment has been executed for the most decent and honorable of reasons: to assure free and fair elections in the Sikh homeland. This is simply window dressing for the international community. Your actions in Khalistan belie your pronouncements. Since the army deployment, extrajudicial killings, "disappearances," torture, rape, extortion of money, harassment and humiliation have increased. The army is conducting door to door searches of Sikh households, and you have personally unleashed Indian soldiers from the constraints of human ethics and legal restrictions, granting them shoot-to-kill authority with full immunity from the law.

Sikhs suffering the brutality of your military forces know the army comes not to defend democracy but to kill more Sikh youth and instill a psychosis of fear throughout the Sikh nation. Sikhs know that the army comes not to assure free and fair elections but to rig elections in the favor of your government. This is why you have re-appointed the tyrant killer, K.P.S. Gill to the post of Director-General of Police. His "kill Sikhs" policy, it is hoped by your government, will provide simple but effective in quelling the Voice of Khalistan. But let me assure you, Prime Minister Rao, such hope will bear no fruit. The Sikh nation declared its independence from India on October 7, 1987, and Khalistan will be ours.

The Indian government has a long record of betraying the Sikhs; and the Sikhs learn from their history. Our Harmandir Sahib has been repeatedly desecrated. Our water has been diverted to neighboring Hindu states. Our territory has been cheated away from us. We have been placed under Presidential rule ten times since 1947, and we have suffered some of the worst violations of human rights known to mankind.

The Sikhs know that Hindu India is committed to its demise. With every new government swept into power in the last two years, oppression in the Sikh homeland has only increased. Over 100,000 Sikhs have been killed by Indian police, paramilitary forces and death squads since 1984. Over 15,000 Sikhs currently languish in Indian prisons without any chance of getting a trial under your draconian anti-Sikh laws. L.K. Advani can travel throughout India espousing Hindu, Hindi, Hindutwa, Hindu Rashtra and still sit as Opposition leader in the Parliament. But if a Sikh dares to speak in support of Khalistan, he is charged under TADA with terrorism and treason and thrown into prison or tortured and murdered as in the case of Jagdev Singh Khudian, MP and thousands of others. India's treatment of the Sikhs has taught us well that we cannot expect to live freely under Indian rule. This is why we declared independence. And this is why we oppose elections under the Indian constitution.

But as might have been expected, you try to force feed us your bogus elections as if to show the world you really care about the principles of democracy. Such propaganda tactics, however, wear thin. The international community remains highly suspect of the Indian government and watches your every move. Elections do not a democracy make, Prime Minister Rao. Even your old ally, the now defunct Soviet Union, held elections, but this fooled no one. You tread precarious waters; be careful. You can only push a people, a nation so far before it reciprocates in a mass movement too powerful to

suppress. Learn from history. The Soviet Union with all its military strength could not stay the impending waves of freedom. What makes you think India will succeed where the Soviet Empire has failed?

Oppression is a sign of weakness, the mark of decay. With your farcical elections, you would have the international community believe India is a flourishing democracy, but the world sees instead a deteriorating tyranny. The Sikhs do not want your elections, we seek only freedom. Our declaration of independence is irreversible, irrevocable and non-negotiable. I suggest that you settle the Punjab issue peacefully by sitting down with the Sikh leadership and demarcating the boundaries between India and Khalistan.

But you would agree to no such peaceful solution. Yours is the philosophy of violence, the stratagem of savagery. No amount of Sikh death is too exorbitant a price to maintain your repressive grip on our homeland. You would sooner commit the genocide of the Sikh nation than bruise your ego and the ego of the Hindu nation by honoring our declared independence. But you will fail, Mr. Rao. You and the entire Indian government's oppressive machinery, which you represent, will fail dismally.

Do not underestimate the power of freedom. Once upon a time, you would have scoffed at the thought that such a large military force would be needed to quell the Sikh nation. Sikhs are united; we stand together against the tyranny and oppression of the Indian government. We stand together in support of freedom, and we will not rest until every last Indian government occupying force is removed from the soil of Khalistan and independence is ours. "Khalistan Zindabad," "India Quit Khalistan."

Sincerely,

DR. GURMIT SINGH AULAKH,  
President, Council of Khalistan.

ONCE AGAIN: TRAIN MURDERS COMMITTED BY INDIAN GOVERNMENT TO BLAME SIKHS

WASHINGTON, DC, December 27.—It happened in 1985 when Indian government officials exploded a plane off the coast of Ireland simply to blame the Sikhs and malign their independence movement in the world's eye. It happened in 1987 when the Indian government staged a fake hijacking of an Indian Airlines plane and portrayed the hijackers as Sikhs to instigate communal rioting against them. It happened in June when Sikhs were blamed for killing 76 train passengers in Ludhiana, despite evidence to the contrary. And today, it happens again.

Indian Police say that Sikhs yesterday killed 55 people in Punjab after stopping a train and ordering all the passengers to come down. No Sikh group has claimed responsibility. Dr. Gurmit Singh Aulakh, President of the Council of Khalistan denounced the massacre and called it a hoax by the Indian government. "Sikhs condemn this and all senseless acts of violence. This massacre is a crime against humanity itself and was most likely carried out by the Indian government with the help of antisocial elements working as its agents or police masquerading as Sikhs."

In many cases, Indian government agents have dressed as Sikhs and committed atrocities to defame the Sikhs and cast their movement for independence in the worst of all possible light. "This could be exactly what happened here," said Dr. Aulakh. "Though nobody has claimed responsibility, the Indian police immediately blamed the Sikhs. They want to perpetuate the myth of 'Sikh terrorism' to defame us and our move-

ment for independence. Over half of a million police, paramilitary forces and armed forces are streaming through Khalistan right now. How is it that the so-called "Sikhs terrorists" are so skilled as to pull off these attacks without ever being caught?"

Though the Indian government has long peddled its story of "Sikh terrorism" to the international community, not one Sikh has been convicted in a fair trial of any terrorist crimes. Sikhs are either killed by Indian police or are put in prison. Under laws designed to oppress the Sikhs, over 15,000 Sikhs languish in Indian prisons without any chance of getting a trial. Even the United Nations Human Rights Committee has recognized India's tyranny calling such laws "disturbing" and "completely unacceptable."

Since last month, the Indian government has deployed nine additional divisions (180,000 soldiers) to the Sikh homeland ostensibly to "assure fee and fair election" in the Punjab. The brutality of the army, however, portrays a different story. Extrajudicial killings are rampant. The army is conducting door to door searches of Sikh households, and the Indian government has granted its soldiers shoot to kill authority with full immunity from the law. The whole of Punjab has been declared a "disturbed area."

The recent train murders were most likely conducted by the Indian government itself, part of campaign to discredit us and leave us stranded from the support of the world community" said Dr. Aulakh. "News reports said the attackers 'disappeared into the night.' If India wanted to catch the attackers it would have by now. But its interest is not justice, not the truth, not human compassion and certainly not democracy. It wants to quell the Sikh voice of freedom and forever subject the Sikh nation to its oppressive will. But the nation will not submit. We declared independence on October 7, 1987 forming the separate country of Khalistan. We simply want our freedom. India should learn from the Soviet Union and honor the freedom of the Sikhs and other minorities under its oppressive rule."

[From the Washington Times, Jan. 1, 1992

#### INDIAN POLITICIANS ARE PONDERING DECENTRALIZATION

(By Kate Webb)

NEW DELHI, INDIA. The one taboo question of whether India would be better off split into independent or increasingly autonomous states has been pushed out of the closet by the breakup of the Soviet Union.

Now that the issue is openly debated in the country's newspapers, those aging that the huge country with its 850 million people of different ethnic, linguistic and religious backgrounds should break up no longer face condemnation as traitors.

Politicians of all hues at the national and local levels have been quick to point to the disintegration of the Soviet Union, some as a threat but others as a lesson that India should decentralize before it is too late.

"Soviet-style disintegration if India does not treat Harijans [untouchable] better," ran one typical headline this week.

"Form a commonwealth to protect religious identities," ran another.

This week, a two-page spread asking "Should India Break Up?" appeared in the Sunday Observer newspaper, detailing the pros and cons of a commonwealth similar to what was formed by 11 former Soviet republics.

The debate would have been unthinkable even a year ago. The trauma of the subcontinent's violent 1947 partition into India and

Pakistan, lingering on was viewed by many as the basis for much of India's policy of preserving the union at all costs.

But there are serious splits in the country. The most obvious candidates for secession are Punjab, Kashmir and Assam, states where bloody independence struggles have kept 50 percent of the Indian army, by its own admission, tied down for the past year.

Significantly, it was a Sikh politician, Prakash Singh Badal, who called for the government to convert India into a commonwealth of autonomous states along the lines of the Commonwealth of Independent States.

In the Sunday Observer debates, former minister Ram Vilas Paswan warned that unless the government became more responsive to minority needs and less dominated by Brahmins—the highest Hindu caste—there would be continued caset, communal and separatist violence.

"In the academic sense, India was not a country before, but then, is there any country in the world which was a country before," Congress centrist thinker M.J. Akbar replied to arguments that India is a British invention.

"Of course, India should remain one," said historian Ravinder Kumar, adding that the breakup of the country would lead to widespread violence.

But he agreed with Communist MP Subhashini Ali, who said that while it should not break up, "if India is to stay one it will have to loosen up.

"Otherwise I see serious fissures widening," Mr. Ali said.

Calcutta editor Swapan Dasgupta told the newspaper that most Indians want the country to stay united but feel there is a need for change.

It is "overcentralization which makes the people in Assam join the ULFA [the separatist United Liberation Front of Assam], because they do not feel any sense of belonging to the power structure imposed on them by Delhi," he said.

Even P.V. Narasimha Rao, the septuagenarian prime minister who stunned the country this year by starting the reverse decades of socialistic policies, appears to have caught on to the mood for change.

Over the weekend, he sent the country's state governors home after a two-day meeting here with the words: "Tell me what the states need; don't ask what the center needs."

The advice seemed especially surprising to many observers who used to mock Mr. Rao for his habit, when a state chief minister, of looking to the national capital for its blessing on even the smallest decision.

#### WORLD CLASS ANARCHY IN BLOODY PUNJAB CONFLICT

INDIA: THE SEEMINGLY MINDLESS VIOLENCE OF A 10-YEAR SECESSIONIST WAR HAS TORN APART THOUSANDS OF FAMILIES

(By Mark Fineman)

MANAWA, INDIA.—Dalip Singh could not plant his winter rice crop this year. At 70, the old Sikh farmer has long since lost his strength. He's little more than a living skeleton now, his frail bones cracking beneath a shell of weathered skin and his shattered spirit now vanished along with his sons.

In the past, Dalip Singh's boys helped him plant the rice each year at this time. But this winter, they're gone, victims of a war almost without equal in a world struggling toward new visions of peace.

"I often asked God what have I done?" the old man said, his voice just a whisper and rattling with grief one recent morning in

this remote mud village of 400. "I must have committed a sin, and I am being punished. Because once, I had three sons, and now, I have none."

But if the old farmer is being punished for past sins, so, too, are the entire state of Punjab and its 20 million people, all now caught in the constant cross-fire of seemingly mindless murder and disappearances in a war that seems unending.

One of Dalip Singh's sons was killed by police; a second disappeared in police custody months ago and is feared dead; the third fled into hiding with the underground. They are just a handful of the mounting casualties in the brutal, secessionist struggle in the northern Indian state of Punjab that has claimed more than 5,300 lives this year alone, including the 55 reported killed in an attack on a train Thursday near Ludhiana that also left at least 70 wounded.

Authorities said four men carrying AK-47 assault rifles boarded the train with 250 people aboard, forced it to stop at the farming village of Sohian and carried out the massacre. Most of the victims were Hindus, who are a majority in India but a minority in Punjab. Police blamed Sikh militants, who often conduct random attacks in their campaign for a homeland.

The war has torn apart tens of thousands of families like Dalip Singh's during 10 years of guerrilla warfare that has spawned a culture of killing, kidnaping, extortion and police corruption in Punjab. With daily death tolls that routinely reach into double figures, it is one of the world's bloodiest regional insurgencies.

For India, the 10-year secessionist war by its turbed Sikh religious sect has been nothing short of epic.

Twice, the Indian army has used tanks and artillery to attack and invade the Sikh's holiest shrine in an effort to rout the militants' leadership. The first such assault in June, 1984, led to the assassination of India's best-known prime minister, Indira Gandhi, who was gunned down by two of her Sikh bodyguards five months later. Her assassination triggered Hindu-Sikh rioting that left the thousands of Sikhs burned, clubbed or hacked to death in an orgy of religious violence.

Fueled by such injustices against the Sikh minority in predominantly Hindu India, the war developed as a Sikh crusade to create a separate Sikh homeland in Punjab called Khalistan (Land of the Pure). Sikhs belong to a 500-year-old sect founded as a compromise between Hinduism and Islam, and they now make up about 60% of the population in Punjab state.

The conflict has degenerated in recent years into little more than a gang war without rules between a dizzying array of Sikh militant groups and the police. The militants are heavily armed former zealots now using Khalistan as a cover and the Sikh masses as human shields and pawns in a campaign more for personal profits and power than for Sikh independence.

And the police have run amok, often using torture, summary execution and abduction-for-profit rather than arrests, trials and due process.

"We have a world-class anarchy in Punjab today," said an Indian journalist who has covered the Sikh insurgency since its inception. "There are just no rules at all anymore. You can get away with anything, including murder. And the last people you call when you're in trouble are the police. Chances are, they're in on it."

Behind that general picture are thousands of stories like Dalip Singh's, tragic human

byproducts of police atrocities that have become as commonplace as the daily killings and kidnappings by Sikh militants, who concede they are routinely armed and trained through Pakistan, India's neighbor and traditional foe. Pakistan was sharply warned by Washington last month that it risks inclusion on the U.S. list of nations supporting terrorism if it persists in supplying Sikh militants.

During a journey through war-torn Punjab recently, a Times reporter documented many cases of mounting police abuse that human-rights groups have cited as the ultimate cause of continuing bloodshed. Among the recent victims:

The family of 85-year-old Sikh farmer Malook Singh, whose 80-year-old wife, son, daughters-in-law and grandsons were chained to trees and stakes at their farmhouse in the remote village of Killi Bodhla and tortured for more than three hours by an armed police party, which burned them with hot diesel oil before killing all seven last October. Singh's 4-year-old great-granddaughter witnessed it all. The attack was carried out to avenge the deaths of two police officers shot by armed Sikh militants who had seized the Singh farmhouse hours before as an overnight hide-out.

The younger brother of suspected Sikh militant Jagir Singh and 17 of his wedding guests, who were massacred at Jagir's wedding reception outside the Sikh holy city of Amritsar a few weeks ago when an undercover police agent with a reputation for assaults on civilians used automatic rifles supplied to him for counterinsurgency duty to settle an old family feud by firing on the marriage party.

Dalip Singh's son, Rajbir, who was executed by police after they kept him in chains for nearly a month, alternately using death threats and promises of freedom to extract information about militant groups that Rajbir said he had joined merely to avenge the rape and death of his elder sister years before.

After investigating a series of "extrajudicial executions of civilians" by both the police and Sikh militants earlier this year, the human rights group Asia Watch concluded: "Government forces operating in Punjab systematically have violated international human rights law, as well as the laws of war governing internal armed conflicts."

The security forces "have engaged in widespread summary executions of civilians and suspected militants," the U.S.-based group said in its 130-page report, adding that the Sikh militant groups similarly have used execution and kidnaping to extort financial and logistic support from innocent civilians.

The Asia Watch report cited dozens of kidnapings by militants and police alike—unchallenged crimes that have soared since the August date of that report to a current rate of at least one kidnaping per day—as examples of the "terror tactics" used by both sides. But the group stressed in its conclusions that it found "a disturbing tolerance for lawlessness by the state as a means of fighting the militant threat."

When asked about Asia Watch and other human rights groups that have documented similarly disturbing trends in Punjab in recent years, one senior police officer in the state said, "We like them as long as they don't talk rot." Then, he added, "Mostly, though, it is rot."

But in the rural Punjabi villages now hostage to this war—strategic hamlets such as Dalip Singh's village of Manawa—there is

ample evidence of how far India's counterinsurgency campaign has spun out of control. Things are so bad that federal authorities in New Delhi called out the army again in late November, deploying more than 100,000 soldiers throughout Punjab to restore order. Federal officials privately concede that the police are all but out of control.

A drama typical of the human price exacted by such anarchy is provided by the case of Dalip Singh's son, Rajbir, and the senior police officer who ordered his execution seven months ago.

Just days before his death, a Times reporter met 25-year-old Rajbir, sitting barefoot and crosslegged, his hands and feet manacled and chained, on the floor of Police Superintendent Sidharth Chattopadhyaya's office in the embattled Punjabi town of Firozepur.

"My future?" Rajbir asked that afternoon, echoing a reporter's question as he looked toward the senior police officer smiling awkwardly behind his desk. "My future is certain."

"Death."

During an hourlong interview that day, under Chattopadhyaya's watchful eye, the young Sikh said that at no time during the two years he admittedly fought in the guerrilla war alongside fellow Sikh insurgents did he embrace the concept of a separate Sikh state.

"Whenever I talked to my seniors, I talked about Khalistan to them," Rajbir said. "But in the heart of my heart, I knew Khalistan was not possible. So I didn't believe in it."

"For me, it was all for the revenge of my sister, Rani Lakhminder Kaur. In 1981, she was raped by some man in the village, a relation of the village chief. She was well educated. She had just graduated the 10th grade. She could not take the shame. So she jumped in the village well and killed herself."

"But this man who raped her had a rifle. Our family had none. So, from the start, it was only my burning desire to get an automatic weapon to take her revenge that drove me."

At first, it drove Rajbir to join the government's "home guards," a grass-roots village-defense network supplied with old police rifles. Then one night a group of militants came to Manawa, he recalled. They were running guns, and Manawa, only four miles from the India-Pakistan border, was the last stop before the long barbed-wire fence that India has erected along Punjab's entire frontier to curb cross-border gun trafficking.

The militants offered Rajbir an AK-47 assault rifle if he would accompany them on their mission that night, and, within minutes, the young Sikh changed sides.

Rajbir conceded that he made several more trips into Pakistan, bringing back with him such weapons as assault rifles, mortars, land mines and grenades, ultimately earning himself the rank of "lieutenant general" in one of the myriad militant groups.

He also conceded that he staged dozens of kidnapings throughout Punjab, bringing in 1.3 million rupees (about \$65,000) in ransom to finance arms purchases. And, he said, he did order several executions of suspected police informants. But he insisted that he had never killed anyone with his own hand—not even the man who raped his sister, he said, because the man fled the village and went into hiding.

Whether Rajbir might ultimately have been punished by a court of law for his crimes will never be known. If Superintendent Chattopadhyaya had had his way, no one would ever have known that Rajbir had even

been picked up by the police before his bullet-riddled body was discovered along a rural Punjabi road a few days after that interview.

"You cannot say this man is in police custody," Chattopadhyaya instructed the reporter that day as Rajbir sat in chains on the police officer's floor. "Just say you interviewed him in his secret hide-out."

"Why?" the reporter asked.

In reply, Chattopadhyaya smiled, reached for his telephone, dialed the number of a Sikh hide-out that Rajbir had supplied under earlier interrogation and ordered Singh to tell his fellow militants to meet him the next day—a meeting that would become a police ambush.

Later, a veteran of the Punjab insurgency who is close to both the police and militant leaders said that a standard police tactic in the state is to capture a suspected guerrilla leader such as Rajbir, squeeze him for all the information they can and at the same time attribute every murder in their district to him to justify increases in the reward on his head. Finally, the veteran said, they execute the guerrilla and collect the reward. In Rajbir's case, the reward was \$50,000.

Asked about such a tactic, Chattopadhyaya, a professional officer who was trained at the Indian Police Service academy, spoke only in general terms.

"We are on the offensive now," he said. "It's a carrot-and-stick policy in which the stick comes first, and the carrot comes later on. For now, we've got to show them, 'You're either going to end up shot, or you end up in jail. You are being exploited. You are being misled.' These points have to be explained to them."

"Only then will we take a very sympathetic attitude. Now, you see, it's all just a matter of power. All this Khalistan is the talk of criminal elements. The masses don't want Khalistan. Even if you ask the extremists, they probably can't spell Khalistan."

"The masses have given up hope," added Chattopadhyaya, who was promoted last week to senior superintendent in the larger metropolis of Amritsar. "The courts aren't functioning. Everyone's been victimized by the terrorists or by the police. So, at the same time, we have to move very carefully to win the masses to our side."

In Rajbir's village of Manawa, though, such police tactics seem to have won few supporters.

As Manawa's frightened farmers gathered one-by-one in the mudwalled compound of Dalip Singh's small farmhouse to lend support to his tale of grief, each expressed a growing hatred and mistrust not only of the police but also of the entire system that now rules their lives.

Most were afraid to declare their loyalties outright. But, as Dalip silently and tearfully shook his head, all made clear that the police stick had not worked here, at least.

#### OPPOSITION TO CONFERENCE COMMITTEE REPORT ON H.R. 3371

**HON. TOM CAMPBELL**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. CAMPBELL of California. Mr. Speaker, I opposed the report produced by the conference committee on H.R. 3371. While I support waiting periods for handgun purchases, I had to oppose the conference report. I agree with the President and the district attorneys of

our Nation; they opposed the conference report because of its weak provisions. I hope, as do they, that we will be able to produce a better bill, one that truly will fight crime.

While there are a number of problems with the bill, I would like to concentrate on one problem in particular, the good faith exception to the exclusionary rule. Presently, it is clear that the good faith exception exists for searches with warrants, *United States v. Leon*, 468 U.S. 897 (1984). In addition, the fifth circuit has expressly extended this exception to warrantless searches, see, for example, *United States v. Williams*, 622 F.2d 830 (1980) and *United States v. De Leon-Reyna* 930 F.2d 396 (1991). The House of Representatives passed an amendment that would have expanded the good faith exception for the exclusionary rule to warrantless searches, but the conferees deleted this provision.

When police act in good faith—when their searches are based on a reasonable belief that they are acting legally—the evidence they find should be admissible in court. The Supreme Court has stated that the exclusionary rule "cannot be expected, and should not be applied, to deter objectively reasonable law enforcement activity." *U.S. v. Leon*, 468 U.S. at 919. If a police officer reasonably believes that he or she is acting legally, then excluding that evidence does not serve the purposes of the fourth amendment.

The good faith exception should logically apply in cases whether or not they involve warrants. As noted above, the fifth circuit has explicitly made this logical extension of the Leon rule. In the *De Leon-Reyna* case, for example, the police officer had acted in good faith in a warrantless search case, though a technicality threatened the admission of the evidence. Had the appellate court not applied the good faith exception to the exclusionary rule, a man carrying 1,200 pounds of cocaine would have gone free.

I hope in the coming months the Congress will produce a stronger bill to fight crime. Unfortunately, the bill as it now stands is not sufficient.

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#### IN MEMORY OF EGIL HAGEN

#### HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. WOLF. Mr. Speaker, it is with sadness that I share with my colleagues today the news of the death of a courageous Norwegian man whose efforts to deliver food aid in the Sudan saved literally thousands of lives.

Egil Hagen, who single-handedly organized the delivery of thousands of tons of emergency food to thousands of starving civilians in rebel-held southern Sudan, lost his battle with cancer on December 27, 1991, at the age of 46.

I saw Egil in action in the Horn of Africa on my trips to Sudan in 1989 and 1990. He was a remarkable man whose approach to his work as the Norwegian People's Aid residential representative for Africa was summed up in a 1989 Washington Post article as: "The way we work is very clear. Rather than finding

99 excuses for why things can't be done, we are trying to find the one reason why it should be done."

He saw Sudanese people dying of starvation and became frustrated with the delays in food delivery imposed by the Sudanese Government and its restriction on aid operations in rebel areas. He defied the government in Khartoum and organized relief convoys to get the food aid to where it was needed. He used his experience as a soldier and officer with the United Nations peacekeeping mission in Lebanon and Uganda in dealing with the rebels in southern Sudan to convince them to let the food aid pass through.

To acknowledge Egil's outstanding humanitarian work, his name has been submitted by the Norwegian Government as a candidate for the Nobel Peace Prize for 1992. Egil also has been named a candidate for the Order of Olaf which is the highest military decoration that can be given and is always presented by the King of Norway. In addition, Egil was the recipient of the Order of Leopold given to him by the King of Belgium in recognition of his successful mediation efforts to have two Belgian hostages, medical doctors, freed following their capture in southern Sudan.

In these days when heroes are hard to find, Egil Hagen was a true hero. He risked his life to save thousands of lives because he cared and wanted to make a difference. The world owes him a large debt of gratitude.

To his wife Dounia and their family, we express our deepest sympathy.

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#### TRIBUTE TO THE YOUNGSTOWN STATE UNIVERSITY FOOTBALL TEAM

#### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the Youngstown State University Penguins, of my 17th Congressional District of Ohio, who recently won the NCAA Division I-AA football championship.

Two weeks ago, the Penguin football team defeated Marshall, 25-17, to complete a most improbable year. The odds of winning this championship were clearly stacked against the Penguins, because early in the year YSU dropped three of its first seven games, and even in the championship game, the Penguins had to come back from a 17-6 fourth quarter deficit. Credit should certainly go to the YSU players, such as quarterback Ray Isaac and running back Tamron Smith, both Youngstown natives, for bringing the championship trophy home. But above all, praise should go to coach Jim Tressel for guiding his men to victory, even when they had their backs to the wall.

Again, let me congratulate this outstanding team on their fine accomplishment, and wish them the best in the season to come.

#### FAMILY CHILD CARE PROVIDERS WIN IN IRS DECISION

#### HON. LES AUCCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. AUCCOIN. Mr. Speaker, it's great to stand up today and say we beat the IRS! Yesterday, the IRS issued a ruling overturning a spring 1991 policy requiring family child care providers to keep hourly records of how much each room in the home was used for their child care business. This action by the IRS created havoc among the Nation's 1.5 million family child care providers so I'm glad to see the IRS got the message.

The original policy presented the family child care providers with a Hobson's choice: Do they fill out multiple forms and keep meaningless records of how often a child uses the bathroom or eats in the kitchen, or do they spend time caring for kids? This action was just another example of the IRS strangling the honest taxpayer and businessowner in red tape. Another example of bureaucracy at its worst.

Since last spring, I've heard from child care providers and parents from all across Oregon. They said if the IRS had its way, many of them would either go out of business or be forced underground and evade taxes. For example:

Joyce May in Monroe, OR wrote and said: "IRS get real! Children that are in good home day care are the fortunate ones because they have two homes—two families—and less pressure."

Helen Payne in Salem, OR wrote that she has been a provider for 15 years. Her business expenses are so high that in the end she earns less than minimum wage.

Sandra Dean in Woodburn, OR reports many child care providers were considering going out of business. She works with other providers in Oregon through a support network called the Provider Resource Organization [PRO].

Sandra Strohm in Portland, OR said she wasn't afraid of record keeping, but "every moment I spend recording room use is time I am not holding a child, reading a story, and paying attention to the wonderful children in my care."

When so many parents can't afford to stay at home and care for their children, I think Federal policy should support child care providers, not force them out of business! Our children deserve nothing less.

The revenue ruling 92-3 could not have come at a better time for Oregon's 31,000 family child care providers. This week the IRS mailed out the 1991 tax forms. It's just too bad that it took the IRS nearly a year to decide that their interpretation of the law was not only unfair, it was wrong.

In October, I introduced legislation to overturn the IRS' proposed changes. The Family Child Care Improvement Act of 1991 codified the widely accepted interpretation of the tax law by which child care providers calculate their deductible expenses. Yesterday's ruling by the IRS reflects that formula. The IRS will now permit family child care providers to use

a simple time-space formula. A provider will simply take the total percentage of space used and the total percentage of time the provider worked to calculate the business deduction.

Mr. Speaker, this administration spends a lot of time talking about the need to eliminate Government bureaucracy—it's even created a Quayle-headed Council on Competitiveness to help big business get out from under Government regulation. Then it issues a ridiculous policy that hurts the backbone of our Nation's child care system. Well, I say it's about time the administration got the word that parents want the IRS off the backs of honest tax-paying family child care providers. They want help in paying for child care, training for the child care providers, and support for good quality care. I say it's time the administration gets its priorities straight.

TRIBUTE TO STEVEN THOMAS  
AVERY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. FORD of Michigan. Mr. Speaker, I rise today to tell my colleagues of an outstanding young man from my hometown, Taylor, MI. For any baseball fan in America, the name Steve Avery, and the accomplishments that go along with that name, should be very familiar. But for those of you who were not witness to the Atlanta Braves' "worst to first" season, the National League Pennant Series, or the 1991 World Series, let me take some time to tell you about this young man from Michigan's 15th Congressional District.

He was born Steven Thomas Avery on April 14, 1970, and has lived in my hometown of Taylor, MI, all of his life. Steve received all of his formal schooling in the Taylor Public School system, finally attending Kennedy High where he lettered in basketball, cross-country, and, of course, baseball. Playing the latter, he lettered for 4 years. To many, this alone is the mark of an above average athlete. Steve, however, was and is far more than an above average athlete.

His athletic prowess attracted college recruiters from many Division 1 schools, and before long, Steve was looking at full, 4-year athletic scholarships to the best of this country's colleges and universities. One offer that greatly interested Steve was a scholarship to Stanford University. Let me point out that this scholarship was no gift. Certainly Stanford University wanted Steve to be their starting pitcher, but they also recognized the strength of Steve's 3.7 cumulative grade point average, and realized that they would be doubly blessed to have not only a great athlete but also a very bright honors student—a young man who could make an impact at Stanford on the ball field and in the classroom.

It's hard, however, to ignore the major league recruiters in this day of multimillion dollar contracts, and the recruiters did come. With better than average high school statistics, Steve was one of the most highly touted major league prospects. It seemed he was on every team's wish list. Upon graduation from Ken-

nedy High School in 1988, Steve became the No. 1 pick of the Atlanta Braves and the No. 3 pick in baseball overall. It was during this time, postgraduation, that Steve made the decision to put off college and try to fulfill his dream of becoming a starting major league baseball pitcher.

In 1988, the Atlanta Braves assigned him to the Division-A rookie league in Pulaski, VA. He spent the year there and in 1989 he was moved up a level to pitch for the Durham Bulls, also a Division-A farm team. As Steve continued to improve, the Braves began to really believe that which they had known all along: that Steve Avery, although only 19 years old, had the potential to become a force in the big leagues. It is every team's greatest fear that they might rush a great prospect to become a star, bring him up too fast, put too great a stress on him, and destroy his potential. The Braves were not going to make this mistake. They knew what they had and they intended to take their time. Later in 1989, Steve was assigned to the Braves' farm team in Greenville, SC. He stayed in South Carolina for the remainder of the year. In 1990, Steve was assigned to Atlanta's AAA team in Richmond, VA. This team represented the last barrier between Steve and the big leagues and was also the place where Steve would have access to some of the best coaching—where he would learn how and where to throw to major league hitters. Needless to say, he was successful at this level, as he had been at every previous level. The Braves called him to Fulton County Stadium in Atlanta on June 19, 1990, at the age of 20, to begin his career in the major leagues. That season was a learning experience for the whole Braves' organization. They finished last in their division but obviously took some notes along the way. The next season was to be far more successful.

And, 1991 was a remarkable year for the Atlanta Braves and Steve was an integral part of it. The club went from the cellar to a pennant race with the Los Angeles Dodgers, and, in October, found themselves in the National League Championship Series. What Steve accomplished there made history. He set a championship series record pitching 16 1/3 innings of shutout baseball. He displayed a 95 mile-per-hour fastball with such a pop on it that it repeatedly left the Pittsburgh sluggers swinging in air. In his second start of the series, No. 33 threw for eight innings, allowing only one walk and three hits while striking out eight.

Steve's efforts drew rave reviews from all quarters. None, however, were as big a compliment as that of Pirates' manager Jim Leyland when he described Avery's second start as a "Koufax-like performance," a reference to the great Los Angeles Dodgers Hall of Famer.

Surely the World Series loss was a disappointment for Atlanta and for Steven—although many will say it was the greatest series ever—but Atlanta's loss does not diminish the tremendous season of 18-8 that Steve put together, nor does it diminish the pride that we in the 15th District take in his accomplishments. November turned out to be just as big a month for Steve as October had been as he began the off-season by marrying his high school sweetheart, Heather McMillan, on November 2, 1991.

Mr. Speaker, for me and everyone from the 15th District of Michigan, this is truly a story of local boy makes good. And I would say that if this past season was any indication of the career that young Steve Avery has ahead of him, it will only be a matter of time before I return to the well of this House and say "Local boy is inducted into Baseball's Hall of Fame." Certainly all of Atlanta, and my colleagues from Georgia, are looking forward to next season with hope and pride, but none are more proud than the people of Taylor and Michigan's 15th Congressional District. We wish Steve and his new wife a healthy off-season and the best of luck in all that the future holds for them.

Congratulations Steve.

LONG BEACH NAVAL SHIPYARD  
SAVES TAXPAYERS DOLLARS—  
AGAIN

HON. DANA ROHRBACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. ROHRBACHER. Mr. Speaker, congratulations to the men and women of the Long Beach Naval Shipyard.

On December 4, 1991, repairs on the U.S.S. *Princeton*, CG-59, which was damaged by two Iraqi mines during the gulf war gulf war, were completed—under budget and ahead of schedule.

After 17 weeks of work on the *Princeton*, an *Aegis* class cruiser, the taxpayers of America were saved \$1 million through the expertise and hard work of the employees at the Long Beach Naval Shipyard.

This is the second major overhaul or repair at the Long Beach shipyard that has saved money for the taxpayer since the shipyard was spared from closure by the Defense Base Closure and Realignment Commission.

Earlier this year, on October 4, 1991, 11 months of work were completed on the U.S.S. *Belleau Wood*, LHA-3. The Long Beach workers finished this major job ahead of schedule and under budget at a savings of \$3 million to the U.S. taxpayer.

I call the attention of my colleagues to the superb job that is consistently being performed by the employees of the Long Beach Naval Shipyard. This shipyard has been the most efficient and cost effective of the 8 Navy shipyards for the past 4 years in a row.

I particularly call this record of performance and savings to the attention of Secretary of Defense Dick Cheney, Navy Secretary Lawrence Garrett, and Gen. Colin Powell, Chairman of the Joint Chiefs of Staff.

LEGISLATION TO PERMANENTLY  
EXTEND TAX PROVISION TO  
BENEFIT AMERICA'S SMALL  
MANUFACTURERS

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Ms. SLAUGHTER. Mr. Speaker, American businesses have virtually unlimited potential, if

they are given the basic tools they need to create thriving businesses. The most basic tool is access to capital. This great Nation was built by small entrepreneurs trying to better themselves and their country. It would be tragic indeed to allow this American ingenuity to go untapped for lack of affordable investment capital. For this reason, I am introducing legislation today to permanently extend the Tax Code's provision for small-issue industrial development bonds [IDB's].

Small-issue industrial development bonds provide small- and medium-sized manufacturing businesses access to capital at competitive rates. Such financing is an important tool for promoting economic development and job creation, and effectively lowers the cost of capital for firms financed with small-issue bonds. Furthermore, small-issue IDB's allow local economic development groups the ability to channel development capital into the community in a manner consistent with their economic development plans.

Generally, interest on State and local bonds is exempt from Federal taxation, unless it is a private activity bond. Small-issue IDB's are private activity bonds, but have also, traditionally, qualified for tax exemption because of the benefit which industrial development brings to a community. The proceeds of small-issue bonds only go to financing manufacturing facilities and certain farm property.

The designation "small-issue" refers to the limit placed on the aggregated bond issue, which is generally below \$5 million, but can be up to \$10 million. The average bond issue is for \$1.6 million and creates 25 jobs. A single facility using the bonds can have only \$10 million in total capital expenditures over a 6-year period, and can have no more than \$40 million in tax-exempt bonds outstanding. These and other criteria ensure that the beneficiaries of IDB's are small manufacturers.

With the changes made in 1984 and 1986, small issue IDB's have become a targeted and fiscally responsible program. These changes limited the volume of such bond issues and other private activity bonds, greatly reducing Federal tax expenditures while fostering better allocation decisions for such financing. The changes further limited the use of such bonds to manufacturing facilities, which has eliminated the potential for abuse of the program by targeting investment to projects representing economic growth potential.

Unfortunately, the last several years have seen the tax-exemption for small-issue bonds extended in a series of stopgap measures of 6 months to 2 years at a time. From the perspective of a local economic development organization, this instability undermines the effectiveness and long-term perspective which their programs demand. While I am pleased that the tax-exemption has been retained until June 30, 1992, a permanent extension is now in order.

The best thing we can do as a nation to ensure the future economic vitality of our manufacturing sector is to encourage capital formation. Small issue IDB's, through the lower interest rates they offer, have enabled small manufacturers to accelerate expenditures on their plants and equipment. The New York State Economic Development Council estimates that 8 to 10 percent of all such invest-

ments during the early 1980's involved small issue IDB financing.

By reducing the cost of capital, small-issue bonds encourage the needed investment which helps American businesses compete in the international marketplace and keeps manufacturing jobs in America. Maintaining our manufacturing base is essential in generating employment.

Moreover, increasing our manufacturing base increases our standard of living. Jobs within the manufacturing sector on average pay 24 percent more than the service sector, and provide more comprehensive benefits. In addition, manufacturing jobs have the ripple effects of creating jobs in other sectors of the economy.

Unfortunately, manufacturing is the area of our economy most vulnerable to international competition. A report published last year by the Council on Competitiveness pointed out that manufacturing accounted for 95 percent of 1988's \$109 billion U.S. trade deficit. Despite surpluses in service and agricultural trade, we continue to run large deficits with our major trading partners year after year, and are increasingly dependent on imports for manufactured goods.

Furthermore, between 1979 and 1985, America lost 1.7 million manufacturing jobs. The loss of those jobs has affected countless people. We owe it to the American family to protect and expand our manufacturing base so that they and their children can find good jobs at decent wages.

Small-issue bonds directly address these issues by targeting small- and medium-sized manufacturers, which have been providing the majority of job growth in the manufacturing sector over the last 10 years. The use of these bonds has a proven track record, and has been particularly useful in helping to leverage private capital for public good. The foregone tax revenue is small when compared to the high social and economic benefits. In my home district alone, IDB-financed projects have created over 1,000 jobs in the last 4 years. In this era of shrinking Federal resources we must target assistance to areas of greatest potential investment in our economic security.

There are many approaches to address the issues raised by stiffer international economic competition and an aging industrial base, but the essential element of any approach is finance. The ability of our smaller firms to achieve their full potential, as producers for both the domestic and international markets continues to be limited by the access to capital. The current credit crunch has only aggravated this problem. We need to encourage investment in this area, and industrial development bonds are an important part of this effort.

We are still the world's leading military power, but our economic predominance is under siege. We need to redevelop our infrastructure, and address these issues in a targeted and cost-effective manner. This legislation is a key step in securing a growing and thriving manufacturing base. Permanently extending tax-exemption for small-issue bonds is a way of encouraging economic development from the grass roots in a fiscally responsible manner.

SECTION 471, S. 543

**HON. BILL ORTON**

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. ORTON. Mr. Speaker, I rise today to reiterate the points that I made in my CONGRESSIONAL RECORD statement of November 26, 1991, regarding the intent of the conferees concerning section 471 of S. 543, the Federal Deposit Insurance Corporation Improvement Act of 1991. As I stated on November 26, section 471—formerly section 1133 of the Senate bill—should not be construed to interfere in any way with pending Federal litigation, including the ongoing Sears-Visa litigation in the U.S. District Court in Utah. This interpretation is supported by the colloquy here on the House floor during debate and passage of S. 543 between the two distinguished gentlemen from Texas, the chairman of the Committee on the Judiciary, Mr. BROOKS, and the chairman of the House Banking Committee, Mr. GONZALEZ, in which Mr. BROOKS reiterated that "I would like to clarify for the record that nothing in the language of section 1133 is intended to interfere with the pending Sears-Visa litigation."

As a member of the Banking Committee, I understand that the conference committee adopted section 471 based on assurances made by its sponsor that it was not intended to have any impact on existing litigation in the U.S. District Court in Utah between Sears and Visa. However, it has been brought to my attention that a party to the litigation has filed a motion for summary judgment with the Utah District Court on December 27, 1991, arguing that section 471 effectively allows the defendants to issue millions of Visa cards without a trial on the merits of the antitrust issues. In its motion, counterdefendants are attempting to avoid a trial on the merits by advancing an interpretation of section 471 that directly conflicts with the stated intent of the conferees and the Congress.

As a member of the Banking Committee, I believe that section 471 is not intended to overturn, modify, or in any way adversely impact, the decision by the Tenth Circuit Court of Appeals—endorsing the position of the Attorney General of Utah—that the case should be remanded to the district court for a trial on the merits with the status quo intact.

THE STAKES INVOLVED WITH THE MEXICO FREE-TRADE AGREEMENT

**HON. BILL RICHARDSON**

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. RICHARDSON. Mr. Speaker, as we enter the new year of 1992, U.S. trade policy is very much on the minds of both Washington officials and the general public. While there remains some disagreement over how it should be shaped in the coming year, a consensus is emerging around its importance to the Nation's economic recovery.

As a strong proponent of the proposed North American Free-Trade Agreement, I be-

lieve our Nation's overall trade policy needs to move aggressively to eliminate trade barriers in North America for the benefit of America's economy, its workers, and its consumers. Along these lines, I would ask that the following two articles be included in the RECORD.

[From the Wall Street Journal, Dec. 12, 1991]

MEXICO—THE ANSWER TO BUSH'S DOMESTIC TROUBLES

(By Bill Richardson)

When Presidents Bush and Salinas meet this weekend to decide whether to conclude the U.S.-Mexico free-trade agreement in 1992, as planned, the easy political move for Mr. Bush would be to defer it until 1993 to avoid its potential use as an issue in the American presidential election. Pressures are building within the Bush administration to put off a ratification vote in the U.S. Congress.

But delaying the trade agreement would be a serious mistake. In fact, I believe President Bush should include the agreement as part of the economic package he submits to Congress in the State of the Union message next month. Our long-term economic objectives dictate that the nation export more. Any economic plan, Democratic or Republican, should include aggressive policies to overcome our huge trade imbalances.

Postponing the agreement would have a number of unfortunate consequences. First, it would send the wrong message to Latin American countries such as Chile, which view it as a first step toward a free-trade agreement for themselves.

Second, it would delay the formation of a North American trade bloc to compete in the world economy against a united Europe and a Pacific Rim trading bloc led by Japan. Third, a delay would be a slap at President Salinas, who has invested a lot of political ties with the United States.

A postponement based on political skittishness would feed public suspicions that the negotiations are taking place to reward a "good neighbor" rather than to capture substantial benefits for America's economy and workers. Postponement would betray our own national interests as well as our contribution to the economic reforms sweeping Latin American countries. If we delay, how can we maintain credibility with Latin American leaders whose message is, "We don't want more aid. Just give us access to your markets?"

For various reasons, Congress as an institution is not well suited to making the case to the public for a North American Free Trade Agreement. The president, particularly in this State of the Union Address, is uniquely positioned to give his trade initiative the economic primacy it deserves.

It is important for the American public to get a better understanding of the economic benefits achieved through liberalizing trade and investment in this hemisphere. While the U.S. does have other objectives to meet with Mexico, such as reducing illegal immigration and environmental pollution, the trade agreement needs to be sold on its economic merits.

Mexico now stands as the third largest export market for American goods. In 1990, U.S. exports to Mexico reached \$28 billion, which translates into roughly 550,000 jobs in the American economy. At a time when members of Congress and the administration have grown frustrated with the cultural and trade impediments to the sale of American products in Asia and Europe, we should relish Mexico's preference for American-made goods.

More than two-thirds of Mexico's imports come from the U.S. The 4% growth that Mex-

ico achieved in 1990 translates into a \$1.2 billion increase in American exports. Every additional percentage point increase in Mexico's economy will result in roughly \$300 million more in new American exports.

Unfortunately, these benefits have been obscured by political grandstanding and the familiar red herrings about income disparities and Mexico's relative poverty. For all the discussion surrounding these issues, it should be noted that the average Mexican consumer spends \$300 per capita on American goods. This is considerably higher than the \$265 per-capita consumption in the European Community. Moreover, this consumption is taking place in an environment where American products such as telecommunications equipment, agricultural goods, and motor vehicle parts are slapped with high tariffs. Once a free-trade agreement is in place, American sales to Mexico will grow through the gradual elimination of tariffs and improved living standards in Mexico.

U.S. trade negotiators should take as much time as necessary to bring back a good agreement. And President Bush must keep his word on his commitments to the environment, border infrastructure, and worker assistance. But if these important concerns can be satisfied by mid-1992, it makes sense for the U.S. to implement the agreement quickly.

The federal budget deficit stands at well over \$360 billion. The fiscal policies of the past 12 years have put the U.S. in a deep hole. Any fiscal package put together by President Bush and Congress is likely to have a minimal effect on the economy, given the unfortunate consequences of swelling deficits. It is unfortunate that the spending policies of the 1980s have robbed us of the fiscal tools of tax cuts and pump-priming, but it's a fact worth noting. It therefore makes sense to focus more attention on opening up foreign markets to American exports.

In 1990, 88% of America's economic growth was owed to international trade. Every \$1 billion in U.S. exports translates into roughly 20,000 jobs for American workers. Herein lies an important element of America's course toward sustained economic growth, and improvements in the standard-of-living and the federal deficit.

For all my concerns about President Bush's lack of a domestic agenda, his trade policies with Mexico represent one of his more significant legislative triumphs. Passage of the fast trade authority to negotiate a North American free-trade agreement this May was successful because of a bipartisan coalition that included 92 House Democrats (with a sizable majority of the House and Senate Democratic leadership) and 139 House Republicans. Unless Mr. Bush moves aggressively, this bipartisan support will continue to erode. He should recapture that momentum by making the North American Free Trade Agreement a national priority in 1992.

[From the Christian Science Monitor, Dec. 4, 1991]

CONSUMERS' STAKE IN FREE TRADE

(By Robert E. Moore)

Back in August, federal officials held public hearings at Georgia State University in Atlanta on President Bush's proposal to enter into a free trade agreement with Mexico. Those testifying represented business and labor interests. Conspicuously absent was any consumer representation. Yet United States consumers have much to gain from the success of the proposal and much to lose if it fails.

Adding Mexico to the Free Trade Area already formed by the US and Canada would

create the largest free trade zone in the world in terms of economic size—second only to the European Community in terms of population.

Removing trade and investment restrictions may seem to be an obscure issue for the average consumer. But even though US tariff levels are low by world standards, trade restrictions dramatically increase prices and the cost of living in the US. Restrictions in clothing, automobiles, and steel have been estimated to cost US consumers over \$1 billion a year in each sector.

Even seemingly insignificant trade restrictions can cause substantial price increases. At the hearings nearly a dozen representatives of Florida orange growers and processors pleaded to have their trade barriers remain in place. The US has a history of trade restrictions on frozen concentrated orange juice (FCOJ) that goes back to 1930. These restrictions increase the price of FCOJ to consumers from 35 to 44 percent!

The Florida orange growers made the standard claim that Mexican orange growers have "unfair advantages." They do have advantages. It is these comparative advantages, resulting in part from the lower level of economic development in Mexico, that will bring about a decrease in prices to the consumer.

Some business and labor groups charge that wages in some sectors are so low that Mexican workers are exploited, but none of these groups explain how Mexican laborers are better off with no jobs because of US trade restrictions than they would be with low-paying jobs made possible by trade with the US.

Also cited as an "unfair advantage" is the fact that the Mexican government gives land to orange growers. During the early stages of US development, the government gave land to railroads and to homesteaders. Should we question Mexico's development choices? Furthermore, much of the benefit of such a subsidy passes directly to the final consumer. Why should we object to an action of the Mexican government that benefits US consumers?

Finally, free land is available (as is cheap labor) because of the underdevelopment of the Mexican economy, and underdevelopment can hardly be considered an "unfair advantage."

US business lobbyists will also argue that trade restrictions are necessary to save jobs in a sector threatened by import competition. There are two problems with this argument. First, higher prices in one sector (caused by trade restrictions) threaten marginally viable jobs in all other sectors. So the "saved" jobs in the protected sector cause jobs to be lost in other sectors.

Second, the cost to consumers per job "saved" in the threatened sector is astounding. For example, the cost to US consumers per job saved by trade restraints in FOCJ is approximately \$240,000 per job per year. This is a very expensive way to "save" a job that pays less than \$20,000 a year. The FOCJ producers' gain from trade restraints is estimated to be \$90,000 per job per year.

The high cost to consumers per job "saved" is not unique to FOCJ. For canned tuna it is \$76,000; for textiles it is \$50,000, for apparel it is \$39,000; and for automobiles it is \$105,000 to \$241,000.

There may be valid concerns about a free trade agreement with Mexico. Some groups have expressed environmental and workplace safety concerns. The correct response to these concerns is not maintaining trade restrictions but entering into broader eco-

conomic agreements with Mexico that involve mutual cooperation on these issues.

If there is a free trade agreement with Mexico, some businesses will close, and some workers will lose their jobs and need to be retrained for other work. The federal government should take an active and aggressive role in helping workers, businesses, and communities make the transition. Even a large federal trade adjustment assistance program would cost the US consumer/taxpayer much less than maintaining the current trade restrictions.

But beware the talk by threatened businessmen of our need to "level the playing field" or of "fair trade." Trade is made "fair" by US consumers being required to pay more for essential goods and services because of trade restrictions. The "playing field is leveled" because US consumers must hoist it up on their shoulders, Titan-like, while the international businesses compete on top.

#### WORKERS' COMPENSATION: RIDDLED WITH FRAUD

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROOMFIELD. Mr. Speaker, one significant issue in the 1992 campaign will likely be the high cost of medicine and the inability of many in America to gain access to good health care.

Already candidates are unveiling plans to nationalize medicine, under the dubious proposition that Government management of the health care system will improve it.

Before we consider any grandiose plans for nationalized medicine, we ought to consider ways of improving and building on the system we already have.

One way to lower the cost of health care would be to eliminate fraud. A recent article in the New York Times, for example, says cheating may involve as much as 20 percent or more of the claims filed under workers' compensation insurance.

That is a staggering figure. It means that the Nation is spending \$10 or \$12 billion more than it needs to every year, money that could be used to bring health care to the poor or to lower the costs of health care for the rest of us.

When workers cheat their employers, they are also cheating their fellow employees.

One worker cited by the Times took three off afternoons a week for medical treatments for a bruise he sustained when falling in the snow. But as the Times notes, the same employee attends karate classes, where he is "kicked, punched, or thrown across a mat two nights a week."

Three afternoons a week he lays the burden of meeting the production schedule on his friends on the line who are too proud and too high minded to cheat. His cheating also means higher premiums for all of us.

I ask that the Times article be printed in the RECORD in the hope that those in this House who are rushing to embrace radical proposals for nationalized medicine will consider ways we can achieve lower costs and greater access by simply improving the system we already have.

#### [From the New York Times, Dec. 29, 1991]

#### VAST AMOUNT OF FRAUD DISCOVERED IN WORKERS' COMPENSATION SYSTEM

(By Peter Kerr)

Fraud and exaggerated claims are driving up the cost of workers' compensation insurance by billions of dollars a year, a variety of experts say, and have become a significant though still largely unrecognized factor in the skyrocketing cost of health care.

This conclusion has been reached by regulators and law-enforcement officials in several states who are looking into the forces behind the rising costs and by insurance officials who have begun investigations of suspicious claims. It is suggested, too, by a number of studies.

To many workers, these authorities say, lying about injuries or illness related to work has become no more sinister than crossing the street against a red light. That attitude and the resulting false claims are helping to push workers' compensation systems in some states into crisis or even to the edge of collapse.

#### CHEATING IN 20 PERCENT OF CLAIMS

Although other factors are also driving up the \$60 billion paid out by employers to public and private insurers for workers' compensation each year, officials and insurance companies in Oregon, California, New Jersey and other states say cheating may involve as much as 20 percent or more of claims. They say it is costing legitimately injured workers many of the benefits they rightly deserve.

"We've found workers' compensation is riddled with fraud," said Stan Long, the president and chief executive of SAIIF, the state-owned workers compensation insurer in Oregon, which says it has uncovered fraud in one of every four claims. "If you run a system where you give money to everybody who asks, you are going to get a lot of people asking for money."

Fraud by employers is also increasingly being recognized as a problem in workers' compensation as is widespread abuse by doctors and lawyers. But experts say cheating by individuals illustrates a larger phenomenon in American society that government and insurance companies have often ignored: the belief that cheating on insurance is acceptable because the system always seemed to have endless amounts of money to pay for it. That is an attitude, they say, the nation can no longer afford.

In the last decade the costs of the insurance programs that care for workers injured on the job in the 50 states have grown more than 150 percent—or 50 percent faster than the cost of health care over all.

In more than a dozen states where employers have been hit by double-digit premium increases, officials say rising workers' compensation costs have devastated small companies and sapped the competitiveness of entire industries. In some states, like Maine and Rhode Island, where costs have risen more than 50 percent a year, insurance companies are abandoning as unprofitable.

For years experts have attributed the rising cost of workers' compensation to growing litigation, the rising price of medical care in general and the expanded coverage and benefits awarded by states. But rarely until now have insurers, government agencies, employers or social scientists studied how much actual fraud may also be involved.

Employers have often been timid in challenging dubious workers' compensation claims, many executives say, partly out of fear of being seen as attacking vulnerable

workers and partly because fraud is hard to prove, in addition, they say, insurance companies often discourage investigations.

Recently, however, a small but growing number of government officials and insurance companies have begun to look into the question. They say they are finding that in some states at least, workers' compensation has nurtured a culture of fraud, in which workers regularly lie without fear or shame.

In Los Angeles, pitchmen working for doctors and lawyers swarm the sidewalks outside unemployment offices, openly telling passers-by they can win thousands of dollars in workers' compensation benefits simply by filing phony claims.

In Pittsburgh, the city government reported a 15 percent drop in workers' compensation claims this year after it televised videos taken by hidden cameras of supposedly injured police officers and firefighters working at second jobs, playing basketball and fixing roofs.

"It is socially acceptable to exaggerate, or even lie, to insurance companies and workers' compensation agencies," said Douglas F. Stevenson, executive director of the national council of self-insurers, a trade association of large corporations. "Such conduct has become so institutionalized that it no longer shocks our sense of morality."

Government and private leaders in some states, however, say the type of fraud reported in California, Oregon, Colorado, New Jersey and elsewhere is rare in their states.

Labor leaders insist that the vast majority of workers are honest. And some insurance industry spokesmen say individuals are often not the ones to blame. "The system puts impossible pressure on people," said Eric Oxfeld, senior counsel for the American Insurance Association, an industry trade group. "An attorney says you can go back to work now and get nothing or you can go back in a month and get thousands of dollars. I don't think it is fair to fault people when the system offers that kind of incentive."

#### EASY MONEY: BLATANT ABUSE IN CALIFORNIA

"Say you get headaches, or backaches, or you get bad dreams," said Alexi Chau, one of more than a dozen men and women milling outside the entrances of the state unemployment office on Broadway in downtown Los Angeles. "You've got to sue your boss. You can get money."

Up and down the block, recruiters were plying their trade on the sun-dappled sidewalk one afternoon this month. Some offered passers-by their business cards and glossy fliers. Others invited potential customers to sit on folding chairs and hear the rich rewards of the workers' compensation system explained.

A reporter simply asked Mr. Chau for one of his business cards. Mr. Chau responded with a two-minute discourse on how the system works: he could collect \$350 a week, Mr. Chau said, if he agreed to meet a doctor and a lawyer immediately. The doctor, Mr. Chau said, would find that he was suffering from back and neck pain caused by work.

Although the reporter never mentioned anything about having health problems, Mr. Chau told him he would receive two therapy sessions a week for four months. After two months of treatment, Mr. Chau promised that the doctor would help him obtain a city pass for the disabled that would let him ride municipal buses free.

As long as the patient agrees to the diagnosis, Mr. Chau said, no one can disprove it. "Don't worry about doctor and lawyer bills," he said. "Insurance pays for it all."

When later asked by the reporter if he knew he was breaking the law, Mr. Chau said that he did, but that he was planning to leave the business. He said he had been paid \$200 for each successful referral.

In California, as in other states, workers' compensation is a system of insurance that reimburses employees for the economic harm from injuries and illness caused by the job. In some states the insurance is sold by private companies, in others by public agencies, and in many states by both.

Workers are compensated for lost wages, medical bills, in some states job retraining, and in cases of death, benefits for their families. In most states, the law requires employers to insure all workers and pay the premiums for 100 percent of their benefits.

California has seen a threefold rise in workers' compensation payments in the last decade to more than \$10 billion. In the highest-risk industries, employers are now required to pay premiums of more than \$5,000 for each worker.

Part of the high costs comes from real and debilitating diseases that science has linked to the workplace only in recent years, including asbestosis, hearing loss, certain types of cancer and carpal tunnel syndrome, an affliction of people who use computers.

John F. Heffing, head officer of the California Labor Federation, A.F.L.-C.I.O., said that although the majority of workers file honest claims, the system does encourage abuse. "There are shyster attorneys who seduce workers to make false claims of stress," he said.

In Southern California, newspapers and television stations are flooded with ads from workers' compensation clinics and lawyers. One clinic, Boulevard Health Services in Los Angeles, even offered patients who attend 30 therapy sessions free trips for two to Las Vegas, Nev., "The Fun Capital of the World."

But until recently, officials and insurance companies in California rarely spoke about workers' compensation fraud. Of the 2,500 cases investigated by the State Department of Insurance's fraud unit in its 12-year history, only 49 cases involved workers' compensation and only 5 were prosecuted.

Lori Kammerer, the managing director of Californians for Compensation Reform, an organization of employers, said that when businesses complained to their insurance companies about workers who were lying or inflating claims, they were often told it would cost more to fight such claims than pay them.

One event that did seem to bring about a change in official attitudes was a news report broadcast on May 19 by KCBS-TV in Los Angeles. A reporter, Harvey Levin, disguised himself as an unemployed data processor and was taken by a recruiter outside an unemployment office to the offices of lawyers and doctors who specialized in workers' compensation cases. Photographed by a hidden video camera, the reporter told interviewers at the law firm, the Office of Administrative Law on Wilshire Boulevard, that he was not sick. But the firm filed forms that described him as suffering from severe abdominal pain, stiff and sore neck, lower-back pain, nervousness, dizziness, blurred vision and too much stress on the job. The law firm referred him to a medical office that charged \$1,195 for initial consultations.

As a result of the broadcast and the outcry of employers, the State Department of Insurance and the Los Angeles District Attorney have begun investigating workers' compensation fraud. The insurance department founded a new investigative unit this fall

solely devoted to the matter and now estimates that fraud accounts for more than 20 percent of the dollars paid out.

"We are just finding out that fraud is out of control in California's workers' compensation system," said Albert H. Mackensie, a deputy district attorney in the Los Angeles District Attorney's office. "Workers' comp has been a license to steal here, and there has not been a law enforcement or police agency in place to investigate it."

Several insurance companies in California have also begun aggressively investigating these cases. The Zenith Insurance Company of Woodland Hills has charged that one clinic certified four restaurant workers as totally unable to work and deserving thousands of dollars in benefits because of what it described as stress and mistreatment by the restaurant's management.

At the time of their medical exams, however, the company charges in Federal court papers that the four men were fully employed at a nearby restaurant. The clinic, American Psychometric Consultants, billed the insurance company for 18.1 hours of psychological testing for each of the four workers in one day, though the office was said to be open only nine hours a day.

A lawyer representing American Psychometric Consultants, Richard K. Simon, disputed Zenith's charges, saying his client was a reputable organization that had neither violated the law nor professional standards. Mr. Simon said he would ask the court to dismiss the case.

Vincent Tokatlian, a Los Angeles chiropractor who worked at another clinic for six months, said he was disturbed by the fact that many patients did not even pretend to want to be treated. They asked to sign the form and leave.

"They were reluctant to spend more than three minutes," he said. "There would just be a smile or a wink but never any sign of shame."

#### BAD ATTITUDES: NO RELUCTANCE ABOUT CHEATING

Geoffrey Burnham, a physician's assistant who has reviewed more than 2,500 workers' compensation claims for Connecticut employers, says he is startled at how blatant workers' compensation cheating has become.

Workers under the age of 40, Mr. Burnham said, often try to charge the system for whatever they can get, a striking reversal of the strong work ethic of an older generation of workers. The younger workers, he said, exaggerate injuries, file for injuries that happened off the job or for injuries that never happened at all.

In one case, Mr. Burnham recalls attending a karate class where he spotted an employee of General Dynamics's Electric Boat division in New London, a company where Mr. Burnham worked for several years.

For three years the employee missed work three afternoons a week for medical treatments as a result of a bruise he had sustained from a fall in the snow. But as a regular karate student, Mr. Burnham said, the worker was kicked, punched or thrown across a mat two nights a week. When confronted, however, Mr. Burnham said, the worker was neither embarrassed nor concerned that he had been caught.

By contract, Mr. Burnham recalled the case of a 60-year-old metal pattern maker who came to the Electric Boat's medical office with hands that had been knurled by years of heavy labor. He could no longer work. More typical of workers of that generation, Mr. Burnham said, the pattern maker was not interested in his workers'

compensation benefits. He wanted surgery that would get him back to work as quickly as possible.

"What scares me is what is happening to the American work ethic," he said.

Eugene Tish, chief operating officer at the Schuler Corporation of Salem, Ore., said his company, too, has found that disability claims primarily involved younger employees, who file claims for injuries sustained on their own time. "What do you call it if you find that 30 of your claims appear in the first 15 minutes of Monday morning?" Mr. Tish asked.

Acceptance of cheating on insurance in general was found to be surprisingly widespread by a study on auto insurance released last month by the Roper Organization.

Nearly one in three Americans said it was usually acceptable to understate the numbers of miles they drive each year to get lower premiums, according to the study, which did face-to-face interviews in 1,987 households. The study found 23 percent said it was acceptable to pad claims.

"The attitudes revealed in this survey indicate that cheating and misrepresentation have become serious," said Donald Seagraves, the executive director of the Insurance Research Council, an industry group.

Officials in some states say, nonetheless, that deceit and fraud are not a significant problem in workers' compensation claims.

In New York, officials say fraud does not account for more than a small fraction of claims, which rose 39 percent in the last two years. Officials in Illinois, where premiums will rise 9 percent next year, agree.

But in some other states, officials are reaching different conclusions.

Oregon officials say they did not see employee fraud as a big problem either until two years ago, when the state-owned workers' compensation insurer, the State Accident Insurance Fund, or SAIF, began an intensive and controversial crackdown.

As a result of the crackdown and other reforms, premiums have dropped 23 percent since 1990—after years of double-digit increases. SAIF executives now say that 37 percent of claims they investigated did not deserve to be paid and that they believe 25 percent of all claims were fraudulent.

Among the more than 200 fraud cases the company has brought to district attorneys and professional boards for action was the case of a former deputy sheriff, Jerry A. Lea, who injured his leg and finger on the job in 1982, and collected \$160,000 over seven years. Mr. Lea said he was almost totally incapacitated, appeared at hearings in a back brace, a neck brace and with a cane.

After being videotaped by the company's surveillance team stacking wood and washing his car in his backyard, Mr. Lea was sentenced to 90 days in the county jail.

In two other cases, workers who claimed to be fully incapacitated were taped climbing into their race cars at stock car races.

Among the 82 chiropractors charged in Oregon, investigators said, several openly counseled patients on how to cheat the system. On March 2, 1990, Dennis L. Campbell, a chiropractor in Salem, told an undercover investigator complaining of an injury—in a conversation secretly taped by the company's fraud unit—that there would be compensation if the injury occurred on the job.

"If this was a workman's comp, they'd pick up the tab," the chiropractor said.

"I know," the undercover investigator said.

"Did you hurt yourself at work?" Dr. Campbell asked.

"No," the investigator replied.  
 "Did you hurt yourself at work?" Dr. Campbell asked again.  
 "No," the investigator said again.  
 "Did you hurt yourself at work?" Dr. Campbell asked a third time.  
 "Yeah, I did," the investigator said.  
 "Yeah, you did," Dr. Campbell said. "How did you do that?"

Dr. Campbell was sentenced to 60 days in jail.

In Pittsburgh, where officials showed the videos of supposedly injured workers in seemingly fine health, the city has started a so-called safety lottery. Workers are now eligible to win \$200 if they go one month without claiming an injury. "We make the lame well," said Ben Hayllar, the director of finance of the city.

In Massachusetts, the office of Gov. William F. Weld estimates that fraud accounts for more than \$400 million of the \$3 billion paid out in claims. In New Jersey, the director of the insurance department's fraud division, Louis Parisi, said fraud or abuse in his state could account for some of the costs in 25 percent of workers' compensation claims.

In Colorado, a study for employers found that as many as 30 percent of workers' compensation claims involve fraud or exaggeration, ranging from outright faking to stretching recuperation by extra days, said Michael D. DeWitt, executive vice president of Avert, a consulting company in Fort Collins.

Authorities in Florida, Texas and other states say they are discovering rising evidence of employers who are defrauding the system by lying about the number of employees or by setting up deceptive lease-back agreements to "lease" their workers to other companies to reduce their premiums. In many cases, when workers are injured they find they have no coverage at all.

#### OTHER PROBLEMS: COSTS GROWING AT A RAPID PACE

Fraudulent claims and abuse are by no means the only problems afflicting workers' compensation systems.

The oldest social program resulting from a compact between labor and management, workers' compensation was begun in the United States at the turn of the century to blunt the often savage health dangers facing workers.

By the late 1960's, however, benefits to injured workers were often regarded as so low that they failed to meet the needs of the injured and their families. In 1972, a Presidential commission during the Nixon Administration recommended that states sharply raise benefits. Among other recommendations adopted by most states was one to give employees unable to work a minimum of two-thirds of their gross salaries before they were injured or 80 percent of their net pay—tax free.

Since then, the total costs of workers' compensation has soared. The average premium that an employer pays for an employee has jumped to more than \$500 today from the \$92 it was 20 years ago. The number of claims doubled in the 1980's and the cost of claims during that time rose by 154 percent.

Meanwhile, lost workdays attributed to on-the-job injuries doubled from 30 million in 1975 to more than 60 million in 1989—even as the economy moved from factory work to service jobs and the rate of industrial accidents remained flat. Among the states with systems in crisis are Maine, Rhode Island, Massachusetts, Pennsylvania, Texas, Louisiana and Florida.

In part the rise in costs is a result of an increase in benefits, which encourages more

people to use the system. Studies show that for every 10 percent increase in the value of benefits, workers' compensation systems pay out 15 percent more money.

Workers' compensation costs have also been driven up by price of medical care, with hospital, doctor and medication bills soaring, and litigation increasing. In Illinois, litigation expenses now amount to 14 percent of all dollars paid out in claims in disputes that may not involve fraud at all but rather legitimate disagreements over the extent of coverage.

One study published by the Minnesota Department of Labor and Industry in 1990 found that the same treatments for back injuries and sprains cost more than twice as much when charged to workers' compensation than to Blue Cross and lasted longer. Treatment for back disorders on average cost \$308 when charged to workers' compensation, compared with \$132 to Blue Cross, and lasted 21 days, compared with 10 days. For sprains the difference was even more striking: \$167 for eight days under workers' comp; \$84 and one day under Blue Cross. By comparison, the treatments for fractures, which leave less to discretion, were about the same.

Unlike people with ordinary health-insurance, like Blue Cross, patients in the workers' compensation system pay no deductible and no part of the bills, giving the patients no incentive to turn tests or treatments down. In addition, few workers' compensation systems have cost-containment programs like managed care, intended to prevent unneeded or overly expensive treatments.

As a result, Orin Kramer, an economist based in Princeton, N.J., said, workers who have limited or no health insurance, and medical professionals who have lost profits to cost-containment programs, often turn to workers' compensation. By linking treatment to a problem on the job, both can be sure employers will pay 100 percent of the bill.

A new study of more than 3,000 Boeing company workers by Dr. Stanley Bigos of the University of Washington, found that although many workers suffer some sort of back pain, the workers most likely to file workers compensation claims are not necessarily the most debilitated, but rather, are those most dissatisfied with their jobs. While the greatest risk of back symptoms was among workers ages 30 to 40, the study found, the greatest risk of back injury claims, was among workers ages 20 to 25.

Another 1990 study, published by the non-profit Workers' Compensation Research Institute in Cambridge, Mass., found that workers' compensation claims climb in recessions and drop as employment rises. Richard B. Victor, the institute's executive director, said people might underuse workers' compensation in good times—or, use it to replace lost wages and job benefits in hard times.

"A lot of the problem goes unseen because nobody is looking," said Mr. Parisi of the New Jersey Insurance Department. "But we know that many people out there think workers' compensation is a bargain, and they are hitting the system for as much as they can."

## NATIONAL WOMEN AND GIRLS IN SPORTS DAY

### HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Ms. SNOWE. Mr. Speaker, I am pleased to introduce, for the sixth consecutive year, a resolution to designate February 6, 1992, as "National Women and Girls in Sports Day."

This day was conceived as a way to encourage women and girls to participate in sports, to continue to work for equal opportunities and to celebrate the great progress made by females in sports. Participation in athletics at any level has proven to be significant for emotional and physical development for boys and girls. Through sports, girls learn to take initiative, work well with others, and develop a positive self-image—qualities crucial for every-day life.

Mr. Speaker, it is important to recognize how far women have come in athletic achievement, while not forgetting inequities still exist. For example, in 1988, just 16 percent of the total college athletic budget was allocated to women, and just one-third of total athletic scholarships were available to women.

For the past 5 years, Members of Congress have joined together to cosponsor National Women and Girls in Sports Day. On this day, a woman athlete will be presented with the Flo Hyman Award—an award representing the commitment and passion of the Olympic volleyball star who died in 1986. Last year the award was presented to Diana Golden, a disabled world ski champion, a 1988 Disabled Olympics gold medalist and winner of 19 national titles. It is my hope that this resolution will inspire future generations of women athletes to strive for the excellence exemplified by Flo Hyman, Diana Golden, and other female athletes.

Please join me in commemorating February 6, 1992, as National Women and Girls in Sports Day by cosponsoring this resolution.

### HONORING CLETUS SCHENK

#### HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. SARPALIUS. Mr. Speaker, today I wish to honor a man who has devoted his life to preserving the spirit and heritage of the West. Cletus Schenk has been a member of the Wichita County Mounted Patrol for 30 years. During these three decades, he has, through his hard work, helped Wichita Falls' Red River Rodeo grow into a major annual event. His work has also helped build a modern arena that is used for several rodeos and other western style events each year. The money earned there is shared with the people of the Wichita Falls area through contributions to local charities and other worthwhile causes.

For his decades of hard work and dedication, Mr. Schenk was named 1991 John Justin Committeeman of the Year. He was chosen from among 70 candidates nominated from

committees representing the nearly 500 rodeos sanctioned by the Professional Rodeo Cowboys Association.

In Texas' 13th District, the western spirit is a part of everyday life. Thanks to hard-working, dedicated men like Cletus Schenk, even city dwellers have a chance to experience the western heritage. For his contributions to that experience, Mr. Schenk richly deserves the John Justin Committeeman of the Year Award. I know I speak for all my colleagues in extending a hearty congratulations from the U.S. House of Representatives.

Mr. Speaker, I ask my fellow Members to join me in thanking Cletus Schenk for a job well done, and commending him for keeping alive the rich western heritage of America. I trust the hard work and vision of Mr. Schenk will help future Texans' dreams come true.

#### TRIBUTE TO FRANK CARRINGTON

### HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GOODLING. Mr. Speaker, I rise today to pay tribute to a great American who spent a large part of his life providing assistance to crime victims, Frank Carrington.

Our Nation, and particularly victims of crime, have suffered a great loss in the person of Frank Carrington, who was killed in a tragic home fire on January 2, 1992.

In April 1991, Frank was honored by President Bush for his outstanding service on behalf of crime victims. The President noted, "for far too many years, victims of crime became 'the forgotten people,' subjected to continued victimization by the system itself. Then, people like Frank Carrington—rightly regarded as one of the 'founding fathers' of the [victims' rights] movement—stepped into the breach. They fought back. They got involved. And they proved to America that one man or woman can make a difference." I don't know what more I can add to describe the dedication of Frank Carrington to protecting the rights of victims.

I first met Frank when he made an appointment with my office several years ago to discuss a national campus crime reporting law. What struck me about Frank then—and was reinforced every time I met with him thereafter—was that here was a man who truly cared about the welfare of others and was willing to devote his life to helping those in need.

The enactment of the Student Right-to-Know and Campus Security Act would not have taken place without the hard work and devotion of Frank Carrington. He provided us with a great deal of relevant background information and worked closely with my staff to secure the support of other Members of Congress for a campus crime law.

Often people talk about the need to address the problems of society but are unwilling to put action behind their words and do something to bring about change. Frank was not one of those people. He believed very strongly that our country had to do something to stop the growing number of violent crimes on college

campuses and he was willing to put the time and effort into finding a solution.

As the author of the campus crime legislation, it is certainly my hope that many, many student lives will be saved and violent crimes prevented by its enactment into law. And, if it works, all of those students have Frank Carrington to thank, for he took that first step toward making the law a reality.

My heart goes out to his family. Their loss is a tragic one. I hope, however, they can find some peace in the knowledge that Frank was one of the truly wonderful people who use their life to help and protect others.

We will all miss Frank Carrington. He made the world a safer place in which to live.

#### INTRODUCTION OF LEGISLATION FOR ADJUSTMENT OF BOUNDARIES OF THE SIOUX RANGER DISTRICT

### HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am introducing legislation to provide for a boundary adjustment of the Sioux Ranger District of the Custer National Forest in South Dakota. This legislation has the support of the Custer National Forest as well as local landowners, and I look forward to consideration by the House. Similar legislation has also been introduced in the Senate, S. 1879.

Land exchanges between the private landowners and the Forest Service are authorized by three pieces of existing law, the Weeks Law Act of 1911, the General Exchange Act of 1922 for national forest lands, and the Bankhead Jones Act, 1937 for national grasslands. The General Exchange Act allows for exchanges of lands with the exterior boundaries of national forest lands. The national forest boundary usually lies directly adjacent to federally owned lands, which results in land outside the boundary not being able to be exchanged, even if they were immediately adjacent to the boundary and forest lands. The legislation which I am introducing today would allow the Secretary of Agriculture to accept title to any lands located within 5 miles of the exterior boundaries of the South Dakota portion of the Sioux Ranger District of Custer National Forest.

Over a period of 50 years, a number of boundary extension laws have been passed which allowed for land exchanges to include lands adjacent to but outside the national forest boundary. While there is boundary extension law for the Black Hills National Forest and portions of the Sioux Ranger District National Forest in Montana, there is no extension law for the South Dakota portion of the Sioux Ranger District, which prevents them from conducting land exchanges the rest of the Custer National Forest, as well as many others, are already able to conduct.

The Forest Service and private landowners have used land exchanges as another tool to increase the management of their respective holdings, allow for the consolidation of property ownership and allow the Forest Service to

resolve public access and trespass situations. The Sioux Ranger District currently has two firm and several possible exchange proposals from several landowners which involve private lands just outside the forest boundary. This legislation is necessary to provide for a boundary extension for the Sioux Ranger District so these proposals can be pursued.

I urge my colleagues to support this legislation.

#### TRIBUTE TO TY RICHARD MARR

### HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Ty Richard Marr of Selinsgrove, PA, on attaining the rank of Eagle Scout. Ty is the son of Harry and Carol Marr.

Ty has been involved with Scouting since he joined Cub Scout Pack 3419 of Selinsgrove in 1981. He later joined Boy Scout Troop 419 in May 1984. Ty has attained several ranks during his many years of scouting, and he has completed requirements for several certificates and honors over that time as well.

For his Eagle Scout project, Ty wanted to make residents of the local community aware of the services provided by the Selinsgrove Ambulance League. Ty contacted the league and distributed Ambulance League applications to households in the Selinsgrove area. He coordinated and supervised the distribution of over 2,000 applications. This project was completed within 3 weeks with the help of family, friends, and fellow Scouts. Due to Ty's efforts, the Ambulance League expanded its membership substantially and acquainted many new residents to its services.

Ty not only has been successful in Scouting, but is on the honor roll at Selinsgrove Area High School and plans on studying marine biology in college. There is little doubt that this young man will continue to be a success at whatever he strives to do.

Mr. Speaker, I ask all of my colleagues to join me in praising Ty Marr for his accomplishments and in wishing him well in all that he does in the years ahead.

#### TRIBUTE TO PAULA AND JOSEPH QUAGLIANA

### HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BILBRAY. Mr. Speaker, I take this opportunity to congratulate Paula and Joseph Quagliana on their selection as Woman and Man of distinction by the Las Vegas chapter of Hadassah. Theirs is an honor prompted by their outstanding contributions to Hadassah but to the Jewish community and the Las Vegas community as a whole.

This has been a year of leadership and honors for Paula Quagliana. Besides her responsibilities as a member of the Las Vegas Board of Realtors, Paula has found time to be presi-

dent of Women's Issues in Nevada, served as a board member of Temple Beth Shalom, served on the women's division of the Jewish Federation and also as a member of the Clark County Democratic Central Committee.

These efforts were exemplified by her instrumental initiative in creating and lobbying for the first Nevada State Women's Commission. Governor Bob Miller honored her efforts by naming her one of the first members of the commission. In addition she has received the coveted Woman of the Year Award by the Desert Sands Business and Professional Women, Nevada Federation of Business and the Professional Women's Clubs, Inc. Clearly, these achievements warranted her recognition as one of 1991's distinguished women of southern Nevada.

It is only fitting that both members of this outstanding marriage be honored by Hadasah. Dr. Joseph Quagliana has proven to be a leader in the field of oncology throughout the Nation. His skills have earned him the distinction of receiving the Maimonides Award, Thomas Henreich Award, Outstanding Professor Award at the University of Utah, and the Fraternal Order of Eagles cancer grant for cancer research. In addition in 1988 he was awarded the Humanitarian Award by the Augustus Society and the Society of Italian-American Lawyers.

Along with their three daughters, Rhonda, Lisa, and Angela, these two outstanding individuals have become an intricate part of the southern Nevada community. Their tireless energy has not only promoted their personal and professional success but become part of the success of our community. I join Hadasah in honoring Paula and Joseph Quagliana and ask my colleagues to join me in honoring them.

THE 26TH ANNIVERSARY OF  
KWANZAA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. BROWN. Mr. Speaker, I ask today that my colleagues join me in recognizing both the 25th anniversary of a unique African-American holiday, its creator, and the efforts of a dedicated community group in my 36th Congressional District.

Kwanzaa, the only nationally celebrated, nonreligious, nonheroic African-American holiday in the United States, is observed each year by an estimated 15 million people. Kwanzaa represents a practical expression of African-American consciousness of and commitment to cultural values and an African-American heritage. It is an annual reaffirmation and reinforcement of the bonds between African-Americans as a people, and a celebration of themselves and their history.

Kwanzaa was created by Dr. Maulana Karenga who was a professor at the University of California, Riverside, in my congressional district. Dr. Karenga is now professor, and Chair, Department of Black Studies, California State University, Long Beach, is an internationally recognized scholar and author,

a professor of black studies, and founder and chairman of Us Organization, a cultural and social change organization. He created Kwanzaa to introduce and reinforce the Nguzo Ssaba—the seven principles—as a core African-American value system. The seven principles establish a model of self-determination and creativity which other African-Americans may emulate.

On December 17, 1991, Dr. Karenga joined the Inland Area Kwanzaa Committee in Rialto, CA, to mark the 25th anniversary of Kwanzaa and to discuss the holiday and the seven principles that he created in 1966. The core principles of Kwanzaa, the Nguzo Ssaba, are: Umoja (unity), Kujichagulia (self-determination), Ujima (collective work and responsibility), Ujamaa (cooperative economics), Nia (purpose), Kuumba (creativity), and Imani (faith). These principles are positive and proactive and contribute to the building and development of the community and African-American people.

Through the efforts of the Inland Area Kwanzaa Committee, every year the celebration of Kwanzaa and the expression of these principles are an important part of the holiday traditions in my congressional district. I ask my colleagues to join me in recognizing and affirming these principles and in commending the effort of the Inland Area Kwanzaa Committee.

RESOLUTION URGING UNITED STATES DIPLOMATIC RECOGNITION OF THE REPUBLIC OF KOSOVA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. LANTOS. Mr. Speaker, today, a number of my colleagues and I have introduced a House concurrent resolution which expresses the sense of the Congress that the President should recognize the independence of the Republic of Kosova and extend full United States diplomatic recognition to that Republic. I have been joined in introducing this resolution by a number of my distinguished colleagues in the Congress—Mr. BROOMFIELD, the ranking minority member of the Foreign Affairs Committee; Mr. BONIOR, the majority whip; Mr. GILMAN, the ranking minority member of the Subcommittee on Europe and the Middle East; and Mr. SWETT of New Hampshire.

All of us in the Congress, Mr. Speaker, have witnessed with horror and dismay the tragic violence and bloodshed which has taken place as a result of the ethnic violence between Serbs and Croats in the former Yugoslav Federation. That has taken place because of the failure to recognize the sovereign rights of the Yugoslav constituent republics and the failure to acknowledge and observe the civil and human rights of these people.

It is important that this mistake not continue with regard to the Republic of Kosova. There is no question that the Republic of Kosova has had a sovereign and recognized identity in the past. The Yugoslav Constitution of 1946 recognized the special autonomous status of

Kosova, and the 1974 Yugoslav Constitution continued to recognize Kosova as one of the eight sovereign constituent territorial units comprising the Yugoslav Federation.

It has only been in the past few years that the status of Kosova has been suppressed and denied by the Republic of Serbia. In March of 1989, the Serbian Parliament denied the autonomous status of Kosova, and through action that was in violation of the Yugoslav Federal Constitution denied and suppressed rights of the people of Kosova. The suppression of the elected Government of Kosova and the imposition of martial law by the Republic of Serbia followed this illegal and unconstitutional action. The elected representatives of Kosova must function as a "Government-in-Exile" because of the repressive actions of the Government of the Republic of Serbia.

The Republic of Kosova is composed of roughly 90 percent ethnic Albanians, yet these Albanians are repressed in their own land. The Republic of Serbia has imposed severe restrictions on freedom of speech, freedom of movement, freedom to work, and subjected ethnic Albanians to illegal imprisonment and the violation of their fundamental civil and human rights. These are not unsupported assertions, Mr. Speaker. These are charges that have been documented by our own State Department in the annual Country Reports on Human Rights Practices for the past several years.

In the past 2 years, we have witnessed the transformation of the former Soviet Union and of Central and Eastern Europe. The process that is taking place in Yugoslavia is simply another facet of that great eruption of democracy. The U.S. Government has welcomed the independence and international sovereignty of Russia, Ukraine, Byelorussia, Kazakhstan, Uzbekistan, Armenia, and the three Baltic Republics of Lithuania, Latvia, and Estonia, and other newly emerging peoples. It is essential that we also recognize the sovereign will of the Albanian people of Kosova by recognizing their right to determine their own future and status.

The people of Kosova have expressed their wish for independence. In a popular referendum held in Kosova during the period September 26–30, 1991, over 87 percent of the eligible voters of that Republic expressed their opinion on independence for Kosova, and an astonishing 99.87 percent of those who voted favored Kosova's independence from Yugoslavia.

Mr. Speaker, the final act of the Helsinki Conference on Security and Cooperation in Europe noted that "all peoples have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development."

Mr. Speaker, the people of Kosova have clearly and unequivocally expressed their wish to be independent of Yugoslavia and become a sovereign state. We should recognize the will of the people of Kosova and extend to them diplomatic recognition, just as we have extended diplomatic recognition to other peoples of the former Soviet Union. I urge my colleagues to join us in cosponsoring this resolution.

## H. CON RES. —

Resolution to express the sense of the Congress that the President should recognize the independence of the Republic of Kosova and extend full United States diplomatic recognition

Whereas Kosova was constitutionally defined as a sovereign territory in the First National-Liberation Conference for Kosova on January 2, 1944, and this status was confirmed in the Constitution of the Socialist Federal Republic of Yugoslavia adopted in 1946, and the amended Yugoslav constitution adopted in 1974 preserved the autonomous status of Kosova and described it as one of the eight constituent territorial units of the Yugoslav Federation, and the effort of the Government of the Republic of Serbia to abolish the autonomous status of Kosova through the adoption of an unlawful constitutional amendment on March 23, 1989, was done without the consent of the people of Kosova;

Whereas the elected Assembly of Kosova adopted a Declaration of Independence of Kosova on July 2, 1990, and proclaimed the Republic of Kosova and adopted a constitution of the Republic of Kosova on September 7, 1990, based on the principles of self-determination, equality and sovereignty;

Whereas a popular referendum was held in Kosova during the period September 26-30, 1991, and in this referendum, 87.01 percent of all eligible voters cast ballots and 99.87 percent of those participating voted in favor of declaring Kosova independent of the Socialist Federal Republic of Yugoslavia;

Whereas the elected Government of Kosova—which now functions as a government-in-exile because the Government of the Republic of Serbia has forcibly denied this freely-elected government the ability to function on the territory of Kosova—has affirmed its commitment to observe internationally recognized obligations for the protection of human rights, including: the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social, and Cultural Rights of the United Nations; the Final Act of the Conference on Security and Co-operation in Europe, the Charter of Paris for a new Europe and other documents of the Conference on Security and Cooperation in Europe relating to the Human Dimension; and the Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms, including the protocols to that Convention;

Whereas the Government of Kosova has affirmed its willingness to accept and observe all commitments and obligations defined by the European Community as preconditions for the formal recognition of Yugoslav republics wishing to be recognized as set forth in the Declaration on Yugoslavia adopted in the Extraordinary Ministerial Meeting of the European Community in Brussels on December 16, 1991;

Whereas the Government of Kosova has affirmed its support for the efforts of the United Nations and the European Community to resolve the continuing conflict between the Republics of Serbia and Croatia;

Whereas the Government of Germany has extended diplomatic recognition to the Republics of Croatia and Slovenia, and the European Community has established principles for the recognition of the independence and sovereignty of republics of the former Socialist Federal Republic of Yugoslavia and the Republic of Kosova fully satisfies those principles;

Whereas it has been the policy of the United States for over two centuries to recognize

and extend full diplomatic relations to those nations whose people have freely expressed their sovereign wish for independence and recognition as a sovereign state;

Whereas the Congress has traditionally supported the rights of peoples to peaceful and democratic self-determination; and

Whereas pursuant to article VIII of the Helsinki Final Act of the Conference on Security and Cooperation in Europe, "all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development": Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring).* That it is the sense of the Congress that the President—

(1) should recognize the independence of Kosova and undertake steps toward the establishment of full diplomatic relations with Kosova; and

(2) should use United States assistance, trade, and other programs to support the Government of Kosova and encourage the further development of democracy and a free market economic system.

THE EMERGENCY COMMUNITY  
DEVELOPMENT ACT OF 1992

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 3, 1992

Mr. GONZALEZ. Mr. Speaker, today I am introducing a bill to provide an economic stimulus for the Nation's sagging economy and collapsed public confidence level which will create jobs mainly by spurring construction of major public infrastructure activities and multi-family housing. This bill would authorize \$15.8 billion to be appropriated for certain housing and community development programs that will generate \$29.1 billion economic stimulus and create more than three-quarters of a million—755,944—permanent jobs. The reasons for this economic stimulus package are abundantly clear. The Nation continues to be in a deep recession. Growth is at best flattening out but more likely it will fall lower than 2½ percent. As CBO notes this level of growth is much below that typical of past recoveries which averaged above 6 percent. This will result in a continuing level of the unemployment rate above 6.5 percent of American workers. The latest figures state that 8.5 million Americans are unemployed, about 6.5 million are underemployed and another one million American workers are shown as discouraged workers. Together with announced and unannounced lay-offs, these facts make the job outlook in the Nation one of depression proportion.

According to the experts, the Nation loses more than \$30 billion in revenues from unpaid taxes and for the payment of unemployment and welfare benefits for each percentage point of unemployed. So, clearly, we need to create jobs—that's the bottom line here, and it must be done now.

The bill would address the initial infrastructure and housing needs in urban and rural communities throughout the Nation. It would

use existing housing programs for the most part and an expedited community development funding process for its infrastructure component. And in many instances, it would fund activities that have already been applied for or fully planned but which have been shelved for lack of funding. It would streamline regulations but maintain key protection of the public interest and the Federal Government while assuring that the funds appropriated are available to be spent in a short period of time.

The fiscal problems faced by the States, as well as cities and towns, large and small, rural and urban, are at crisis proportions. Because of a host of local reasons and a cold and indifferent retreat by the Federal Government, the infrastructure of these communities is crumbling. Robert Eisner, a prominent economist says, "we should act and act quickly" to stem the recession and "not foolishly gamble with the well being of the American people" in hopes that things will straighten out by themselves. Chief among his recommendations is the appropriation of funds for repair and construction of roads and bridges, airports, and sewer systems, and the reconstruction of our decaying cities. As one group has stated to me:

Our States and cities have gone out of the business of reinvesting in the Nation's urban infrastructure. Basic public work projects, vital to the functioning of cities and their neighborhoods, have been depressed \* \* \* streets and alleys crumble, sidewalks cave-in, sewers back up \* \* \* essential public facilities like neighborhood libraries and clinics just never seem to get built.

The eminent economist, John Kenneth Galbraith, recently noted the spiral of depression and despair in the construction industry and called for using some of the idle labor and equipment for infrastructure investment as a means of stimulating the economy. The bill that I introduce today, Mr. Speaker, would provide a substantial fiscal stimulus by creating jobs mainly in the construction industry.

In order to do this in a timely manner, the bill would distribute \$10 billion principally through the community development block grant [CDBG] formula for funding cities, counties, and the States. This method of distribution was used for the Emergency Jobs Appropriations Act—Public Law 98-8—enacted in March 1983. In May, less than 2 months after enactment, all funds were allocated to recipients. By the end of September 1983, 55 percent of the total had been expended and together with commitments, 72 percent of the amount made available was either committed or expended. This in 4 months more than one-half of the funds was expended. According to HUD, 100 percent of the Emergency Jobs Act was expended or committed within 1 year of enactment. The bill I am introducing contains provisions to streamline the distribution process based on the 1983 experience and can be expected to create approximately 300,925 jobs in infrastructure construction and public service employment. At least one-half of these funds would be required to be used in moderate- and low-income neighborhoods to meet their pressing revitalization needs.

The remainder of the funds that would be authorized in my bill would be aimed at stimulating the defunct housing construction industry. This component would focus on the major

housing needs in the Nation and would include meeting the homeownership needs of lower-middle-income families, as well as lower-income families. Home purchasing continues to be beyond the reach of many working families as housing prices increases have outstripped the rise in real incomes. Even the lower interest rates that we are experiencing are not making it affordable for most of these families to purchase modest homes. For these first-time homebuyers, the bill provides \$500 million in downpayment and interest subsidies under the housing trust provisions in current law. This will generate \$3.9 billion in single-family housing activity for more than 52,600 households.

In addition, the single-family housing stimulus provisions would add \$106 million in rural housing loans for a total single-family housing stimulus to create more than 87,472 new jobs.

The bill also provides for a multifamily housing stimulus to meet the Nation's backlog of rental housing for low- and moderate-income families. These provisions utilize the existing housing programs under HUD, the Farmers Home Administration, and the Federal Home Loan Bank System. The need for decent affordable rental housing for the poor persists. In 1987, according to recent studies undertaken by the 20th Century Fund, more than two-thirds of the poor families in the Nation live in substandard housing or pay more than one-half of their incomes for housing. However, these same studies show that moderate- and middle-income families are now experiencing the same housing problems as the poor, although to a lesser degree; 4.3 percent of these families live in substandard housing, 11.6 percent paid more than 30 percent of their income for housing and these studies note: "the problem is worse for middle-income renters than (homeowners): the incidence of substandard housing is nearly twice as great and \* \* \* of excessive housing outlays is nearly three times greater than for moderate-income homeowners." Thus, the rental housing provisions in this bill address all of these needs and would generate \$10.4 billion in new rental housing construction, creating 265,734 jobs, when taking into account a full blown FHA Multifamily Market Rental Program that would be enabled by the provision of \$100 million for multifamily processing staff.

In addition, the bill contains several provisions for the homeless which include \$430 million of construction activity that is estimated to generate 10,847 jobs.

A key provision in this bill would fund the vacant public housing provision enacted last year but for which the administration would not request any funds while decrying their existence and trying to penalize housing authorities through lowering their operating subsidies. Reinvesting in the 80,000 vacant public housing units means as many poor families—many now homeless—can be housed. In the process, it is estimated that the \$2 billion authorized for this purpose will create 52,000 jobs.

Other provisions in the bill deal with specific housing problems, including those of migrant farmworkers.

As I promised you last month, Mr. Speaker, I have set forth a bill, which together with other actions of the Banking Committee, will contribute to the efforts of the House, along

with other committees, to meet the Nation's need for economic recovery. In all, this is a \$29.1 billion package creating more than 755,944 jobs in needed infrastructure and housing activities which should be expeditiously adopted by the House. I have included a section-by-section summary of the bill for the RECORD:

**EMERGENCY COMMUNITY DEVELOPMENT ACT OF 1992 AND ESTIMATED NUMBER OF FULL-TIME JOBS CREATED**

(Fiscal year 1992 additional authorizations)

	Authorization	Estimated number of jobs created
CDBG Program .....	\$10,000,000,000	300,925
Vacancy reduction in public housing .....	2,000,000,000	52,000
National homeownership trust .....	1,500,000,000	85,140
Flexible Subsidy Program .....	150,000,000	3,810
Section 502 rural housing loans .....	106,000,000	2,332
Remote rural areas grants .....	1,000,000	22
Section 504 rural home improvement grants .....	12,500,000	295
Section 504 rural home improvement loans .....	12,500,000	295
Section 515 rural rental housing loans .....	1,700,000,000	42,500
Rural homeless and migrant farmworkers Rural rental assistance payments (RAP) ..	10,000,000	254
FEMA emergency homeless grants .....	500,000,000	.....
HUD emergency shelter grants .....	150,000,000	.....
HUD supportive housing demo .....	150,000,000	3,735
SAFARI Homeless Program .....	50,000,000	3,810
Section 8 SRD assistance .....	80,000,000	1,270
FHFA Affordable Housing Program .....	100,000,000	2,332
FHA multifamily housing field staff .....	1,100,000,000	38,100
	1,100,000,000	219,424
Total amount authorized .....	15,772,000,000	.....
Total economic stimulus .....	29,132,000,000	.....
Jobs total .....	.....	755,944

<sup>1</sup> The \$15.8 billion in total authorizations of appropriations generates approximately \$29.1 billion in housing and infrastructure construction because the National Homeownership Trust leverages approximately \$3.9 billion in total home purchases, the FHFA program leverages approximately \$1.5 billion in new housing unit construction, and increases in FHA Multifamily Housing Staff enables FHA to process at least 107,000 units generating \$8.6 billion in new construction activity.

**SECTION-BY-SECTION OF THE EMERGENCY COMMUNITY DEVELOPMENT ACT OF 1992**

Sec. 1. Short title and table of contents: The short title of this act is the "Emergency Community Development Act of 1992."

Sec. 2. Findings and purpose: States Congress' findings and purposes with regard to this act.

**TITLE I—TEMPORARY ASSISTANCE FOR COMMUNITY DEVELOPMENT ACTIVITIES**

Sec. 101. Purpose:

States that the purpose of this title is to provide temporary assistance to state and local governments to enable them to address vital unmet needs and to promote jobs and economic development.

Sec. 102. Definitions and Designation of Public Agencies:

Adopts as definitions for this section those definitions used in section 102(a) of the Housing and Community Development Act of 1974 (the regular CDBG program). Exceptions to this general rule are made for the age of housing definition which is revised for the purposes of this temporary program to refer to pre-1950 housing and the definitions of metropolitan cities and urban counties. For purposes of this Act a metropolitan city is any city so classified in FY 1992 for purposes of the regular CDBG program. Urban counties are those counties so classified for purposes of the FY 1992 regular CDBG program and all units of general local government whose populations were included in such counties for that program.

Allows for the chief executive officer of the State or local government to designate the public agency to undertake assisted activities.

Requires that all data used to calculate the allocation of funds be the same data as is used for allocation of funds appropriated for the regular CDBG program for FY 1992.

Sec. 103. Authorization of appropriations:

Authorizes for appropriation \$10 billion in FY 1992 to carry out the purposes of this title. Provides that Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands and the Trust Territory of the Pacific Islands, be authorized to receive \$15 million of the total authorization.

Sec. 104. Statement of projected activities and compliance:

Requires that before a grant of funds can be made to a State or local unit of government, such entity shall submit to the Secretary of Housing and Urban Development (the Secretary) a statement of community development activities and projected use of funds. This statement must contain the following certifications: (1) a certification that the grant will be conducted and administered in accordance with the Civil Rights Acts of 1964 and 1968, (2) a certification that the projected use of funds gives maximum feasible priority to activities designed to meet community development needs that have a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community, (3) a certification that the projected use of funds for public services will benefit primarily low and moderate income families, (4) a certification that the grantee will not attempt to recover any capital costs from low and moderate income persons.

Requires that such statement be approved by the appropriate unit of government or chief executive officer and applies the antidisplacement provisions of the regular CDBG program to the use of any funds under this temporary program.

Requires that the Secretary review such statement and approve it unless it is inconsistent with the act or the required certifications are not made. Requires that grantees submit to the Secretary a statement approved by the chief executive officer that describes the actual use of funds.

Authorizes the GAO to audit the use of funds under this Act. Adopts from the regular CDBG program provisions relating to the assumption of environmental responsibilities by the grantee. Provides that no funds may be given to a unit of government that fails to adopt policies to protect against the use of excessive force against individuals engaged in nonviolent civil rights demonstration and to protect against physically barring entrances and exits of any facility that is the subject of a nonviolent demonstration.

Sec. 105. Eligible activities:

Provides that eligible activities under this title are (1) the acquisition of real property which is blighted, deteriorated, undeveloped, or inappropriately developed; appropriate for rehabilitation or conservation activities; appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources and scenic areas, the provision of recreational opportunities or the guidance or urban development; to be used for the provision of public works, facilities, and improvements or to be used for other public purposes; (2) the acquisition, construction, rehabilitation, or installation of public works or public facilities, including buildings for the general conduct of government; (3) the clearance, removal, and rehabilitation of buildings and improvements, including interim assistance and assistance to privately owned buildings and improvements; (4) the provision of public services related to job training and retraining, health care and education, crime prevention, drug abuse treatment and rehabilitation, child care,

education and recreation; (5) relocation assistance; (6) public safety and public health vehicles; and (7) administrative expenses. Prohibits a grantee from using more than 50% of its grant funds to provide public services.

Prohibits assistance under this title from being used for an activity the primary purpose of which is to provide housing or for any activity involving the construction, acquisition, or rehabilitation of inpatient medical facilities.

Sec. 106. Allocation and distribution of funds:

Provides that the allocation of funds will be according to a system that is very similar to the regular CDBG program. Establishes a set aside of 1 percent of the funds for Indian tribes to be distributed by the Secretary according to criteria published by the Secretary. Provides that the remaining funds be split 70-30 between entitlement communities (metropolitan cities and urban counties) and the States. Uses criteria identical to the regular CDBG program to determine the allocations to individual entitlement communities and States. Allocations will differ from the regular CDBG program because of the change in the definition of the age of housing.

Sec. 107. Nondiscrimination:

Provides that no person shall be discriminated against on the basis of race, color, national origin, religion, or sex under any activity funded in whole or in part with funds from this title. Provides for enforcement if such prohibited discrimination occurs.

Sec. 108. Labor standards:

Requires that Davis-Bacon wage rates be used in all activities funded in whole or in part under this title, except the rehabilitation of residential property of less than 8 units.

Sec. 109. Remedies for noncompliance:

Provides sanctions for the failure of a grantee to comply with the terms of this title.

Sec. 110. Consultation:

Requires the Secretary, in carrying out the provisions of this title, to consult with other Federal departments and agencies administering grant-in-aid programs.

Sec. 111. Interstate agreements:

Authorizes two or more states to enter into agreements or compacts for cooperative efforts and mutual assistance in support of community development planning and programs.

Sec. 112. Regulations:

Authorizes the Secretary to issue regulations to implement this title without public notice and comment rulemaking. Such regulations must be published within 45 days of enactment including a 15-day Congressional review and are final upon publication.

#### TITLE II—HOUSING PROGRAMS

Sec. 201. Vacancy reduction in public housing:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$2 billion in additional funds for FY 1992 to carry out the vacancy reduction program provided for in the Cranston-Gonzalez National Affordable Housing Act (section 14(p) of the United States Housing Act of 1937).

Provides that the amounts appropriated can be used for any travel and administrative expenses of any assessment team provided for in the vacancy reduction program.

Sec. 202. National Homeownership Trust Demonstration:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$500 million in addi-

tional funds for FY 1992 to carry out the National Homeownership Trust Demonstration. Requires that the Secretary publish regulations to implement the program within 45 days of enactment.

Sec. 203. Homes Investment Partnerships Act:

Eliminates the preference in the HOME program against new construction and deletes the special new construction allocation system. Extends the waiver of the HOME match requirement through FY 1993.

Sec. 204. Flexible subsidy program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$150 million in additional funds for FY 1992 for the Flexible Subsidy Fund.

#### TITLE III—SINGLE FAMILY MORTGAGE INSURANCE

Sec. 301. Prohibition on limitation of closing costs financed:

Prohibits the Secretary from using discretionary authority to establish any limit on the amount of closing costs that can be financed.

Sec. 302. Insurance premiums for refinanced mortgages:

Establishes a new premium structure for refinanced FHA mortgages when the original mortgage was executed before July 1, 1991, and the property securing the new mortgage is the same property that secured the original mortgage. Provides that in such cases the borrower under the refinanced mortgage will pay only the upfront premium applicable to a non-refinanced mortgage executed on the same day as the refinanced mortgage.

Sec. 303. Authority to decrease insurance premium charges:

Provides that the Secretary has authority to reduce the premium structure established in statute.

#### TITLE IV—RURAL HOUSING

Sec. 401. Section 502 rural housing loans:

Provides that because of extreme recessionary economic conditions the budget authority for loans insured or guaranteed under section 502 of the Housing Act of 1949, except loans guaranteed under section 502(h) is increased by \$106 million.

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$1 million for grants in remote rural areas.

Sec. 402. Section 504 housing improvement loans and grants:

Provides that because of extreme recessionary economic conditions the budget authority for the section 504 loan program is authorized to be increased by \$12.5 million during FY 1992 and there is authorized to be appropriated for FY 1992 \$12.5 million in additional funds for the section 504 grant program.

Sec. 403. Section 515 rental housing loans:

Provides that because of extreme recessionary economic conditions the budget authority for the section 515 insured loan program is authorized to be increased by \$1.7 billion during FY 1992.

Provides the Secretary of the Department of Agriculture from denying assistance under the section 515 program because the housing or related facility is in an excessively remote area and prohibits the Agriculture Secretary from giving preferences to projects solely because they are located in areas which provide essential services.

Requires that the Agriculture Secretary coordinate the processing of Section 515 applications with the provision of any rental assistance necessary for the project.

Sec. 404. Section 516 Housing for rural homeless and migrant farmworkers:

Provides an authorization of appropriations in the amount of \$10 million to implement the FmHA housing program for rural homeless and migrant farmworkers and requires the Secretary of Agriculture to promulgate regulations within 45 days of enactment.

Sec. 405. Rental assistance payment contracts:

Provides that because of extreme recessionary economic conditions the budget authority for the rental assistance contracts is authorized to be increased by \$500 million during FY 1992.

#### TITLE V—HOMELESS ASSISTANCE

Sec. 501. Federal Emergency Management Agency emergency food and shelter grants:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$150 million in additional funds for FY 1992 for the FEMA emergency food and shelter grants program. Provides that for the first 8 months after the funds become available the funds can only be used for homeless prevention programs.

Sec. 502. Emergency shelter grants program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$150 million in additional funds for FY 1992 for the McKinney Homeless Act emergency shelter grants program.

Sec. 503. Supportive housing demonstration program:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$150 million in additional funds for FY 1992 for the McKinney Homeless Act supportive housing demonstration program.

Sec. 504. Supplemental assistance for facilities to assist the homeless:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$50 million in additional funds for FY 1992 for the McKinney Homeless Act supplemental assistance for facilities to assist the homeless program.

Sec. 505. Section 8 assistance for single room occupancy dwellings:

Provides that because of extreme recessionary economic conditions there is authorized to be appropriated \$80 million in additional funds for FY 1992 for section 8 assistance for single room occupancy dwellings.

Sec. 506. Repeal of shelter plus care transition provisions:

Repeals section 837(e) of the Cranston-Gonzalez National Affordable Housing Act.

#### TITLE VI—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ADMINISTRATION

Sec. 601. Temporary inapplicability of notice and disclosure requirements for multifamily projects:

Prohibits the application of the anti-subsidy layering provisions of section 102 to any multifamily housing project developed or insured with FHA, HOME or McKinney Act funds if the applications for assistance were pending at HUD upon enactment or are submitted to HUD before the end of FY 1993.

Sec. 602. Authorization of appropriations for multifamily housing field office staff:

Authorizes for appropriation \$100 million to be used by HUD for staff in HUD's regional, field or zone offices to review, process, approve and monitor multifamily insured projects.

#### TITLE VII—FINANCIAL INSTITUTIONS HOUSING PROVISIONS

Sec. 701. Federal Home Loan Banks Affordable Housing Program:

Provides that because of extreme recessionary economic conditions, there is authorized to be appropriated \$100 million for use by the Federal Home Loan Banks for their affordable housing programs. These funds will be used to fund application which

were received and approved in FY 1991, but not funded for lack of funds.  
Sec. 702. Regulations regarding risk-weighting of housing loans for purposes of capital requirements:  
Requires the relevant federal banking agencies to issue regulations to implement

the changes in risk capital required by financial institutions for single and multifamily residential construction loans within 45 days of enactment of this Act, including a 15 day Congressional review.

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